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**ACADIA PARISH SCHOOL BOARD
FINANCIAL REPORT
JUNE 30, 2004**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3-9-05

ACADIA PARISH SCHOOL BOARD

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2004

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To the Members of the Acadia Parish School Board
Crowley, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Acadia Parish School Board, as of and for the year ended June 30, 2004, which collectively comprise the Acadia Parish School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Acadia Parish School Board, as of June 30, 2004, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2005, on our consideration of Acadia Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standard*, and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 3 through 8 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Acadia Parish School Board. The accompanying financial information listed as other supplementary information, including the schedule of expenditures of Federal awards required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the budgetary comparison schedules listed as required supplementary information in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Acadia Parish School Board. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Broussard, Roche, Lewis + Breau, L.L.P.

Crowley, Louisiana
January 13, 2005

ACADIA PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2004

The Management's Discussion and Analysis of the Acadia Parish School Board's financial performance presents a narrative overview and analysis of Acadia Parish School Board's financial activities for the year ended June 30, 2004. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information.

- The Acadia Parish School Board's assets exceeded its liabilities at the close of fiscal year 2004 by \$16,530,934.
- Expenses exceeded revenues by \$706,389 during the year.
- State MFP funds increased by approximately \$1,773,978 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the School Board's finances, in a manner similar to private sector business.

The statement of net assets presents information on all of the School Board's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School Board is improving or declining.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. uncollected taxes and earned but unused sick leave).

Both the government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The School Board has no functions or activities, which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally owned utility system. The governmental activities of the School Board include regular and special education programs, support services, administration, maintenance, student transportation, and school food services. The School Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

Fund Financial Statements. A fund is grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School Board can be divided into two categories governmental funds and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School Board's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School Board maintains dozens of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The remaining funds are combined into a single, aggregate presentation under the label of other governmental funds, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of outside parties such as students. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School Board's programs. The fiduciary funds of the School Board are used to account for the collection of sales taxes for all taxing bodies in Acadia Parish, ad valorem taxes for a portion of Basile, Louisiana, and for the School Activity Fund, which contains monies belonging to the schools, students, and clubs and other activities.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

FINANCIAL ANALYSIS OF THE ENTITY

The following analysis reflects the condensed statement of net assets for 2004 with comparative figures from 2003:

	<u>2004</u>	<u>2003</u>
Current and other assets	\$21,117,758	\$20,698,619
Capital assets	<u>15,719,832</u>	<u>16,292,414</u>
Total assets	<u>\$36,837,590</u>	<u>\$36,991,033</u>
Current and other liabilities	\$ 8,326,309	\$ 7,306,766
Long-term liabilities	<u>11,980,347</u>	<u>12,446,944</u>
Total liabilities	<u>\$20,306,656</u>	<u>\$19,753,710</u>
Net assets:		
Invested in capital assets, net of debt	\$ 9,014,832	\$ 9,037,414
Restricted	1,905,496	1,347,726
Unrestricted	<u>5,610,606</u>	<u>6,852,183</u>
Total net assets	<u>\$16,530,934</u>	<u>\$17,237,323</u>

- Investments have decreased approximately 10.00% from the prior year. Investments account 28.90% of the total assets of the School Board.
- Capital assets, which are reported net of accumulated depreciation, account for 42.67% of the total assets of the School Board for the most recent year ended.
- Bonds payable which have decreased \$550,000, 7.58% from prior year account for 33.02% of total liabilities reported.
- Net assets invested in capital assets account 54.53% of total net assets as of June 30, 2004.
- Unrestricted net assets accounted 33.94% of total net assets.
- Total net assets have decreased by \$706,389 or 4.10% from the prior year.

The following provides a summary of the changes in net assets for the year ended June 30, 2004, with comparative figures from 2003:

	<u>2004</u>	<u>2003</u>
Program revenues:		
Charges for services	\$ 1,297,645	\$ 1,217,536
Operating grants	15,201,928	14,488,732
General revenues:		
Property taxes	5,230,397	5,375,941
Sales taxes	5,295,754	7,129,949
Earnings on investments	259,011	405,311
MFP	36,446,762	34,672,784
Other	1,870,887	1,349,478
	<u>\$65,602,384</u>	<u>\$64,639,731</u>
Expenses:		
Regular education	\$27,767,251	\$29,492,050
Special education	6,802,477	7,343,923
Other education	6,629,270	4,312,237
Pupil support	3,146,218	3,192,806
Instructional staff	2,382,049	2,389,823
General administration	1,245,981	1,255,257
School administration	3,634,374	3,616,753
Business services	488,749	472,821
Plant services	5,961,439	6,189,754
Student transportation	2,826,102	2,704,522
Central services	372,330	375,317
Food	4,254,906	4,159,780
Community services	465,572	538,562
Interest and bank charges	332,055	417,627
	<u>\$66,308,773</u>	<u>\$66,461,232</u>
Decrease in net assets	\$ (706,389)	\$ (1,821,501)
Net assets, beginning (as restated)	<u>17,237,323</u>	<u>19,058,824</u>
Net assets, ending	<u>\$16,530,934</u>	<u>\$17,237,323</u>

- MFP which accounts 55.58% of revenues increased \$1,773,978 due to a decrease in local revenue (sales tax) from the previous year.
- Non-recurring salary supplement for all employees were granted during 2003, at a cost of approximately \$4 million. This distribution caused the significant operating deficit shown above.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2004, the Acadia Parish School Board had \$15,719,832 invested in a broad range of capital assets, including land, building, and equipment (see table below).

This amount represents a net decrease (including additions and deductions) of \$572,581 3.51% over last year.

Capital Assets at Year-End (Net of Depreciation) June 30, 2004 and 2003

	<u>2004</u>	<u>2003</u>
Land	\$ 1,068,245	\$ 1,063,202
Construction in progress	189,385	-
Buildings and equipment	<u>14,462,202</u>	<u>15,229,211</u>
	<u>\$15,719,832</u>	<u>\$16,292,413</u>

Long-Term Debt

At the end of the current fiscal year, the School Board had bonded debt outstanding of \$6,705,000. This was a 7.58% decrease in bonds payable over last year's amount.

Due to the lower interest rates available, the School Board refunded an outstanding issue during the current year which resulted in an economic gain.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

Economic growth in the parish is expected to be nominal. Sales tax collections for the past several years have been elevated, due to the construction of two power plants. This year's collections are more typical.

The Acadia Parish School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- Enrollment is expected to remain constant
- Property tax millages will be the same as prior years
- No supplemental payments will be made to employees; however, a new sales tax is anticipated to provide permanent funding for salaries and benefits.

The Acadia Parish School Board expects that next year's operations will result in a minimal operating surplus.

CONTACTING THE ACADIA PARISH SCHOOL BOARD'S MANAGEMENT

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Michael A. Leonards, Business Director, Acadia Parish School Board, P.O. Drawer 309, Crowley, Louisiana 70527.

BASIC FINANCIAL STATEMENTS

ACADIA PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS

June 30, 2004

ASSETS

Cash and cash equivalents	\$ 7,470,674
Investments	10,647,695
Receivables:	
Taxes	860,773
Due from other governmental agencies	1,023,675
Accrued interest receivable	41,987
Other	67,591
Inventories, at cost	685,716
Prepaid items	80,000
Deferred debits	239,647
Capital assets:	
Non-depreciable	1,257,630
Depreciable, net	<u>14,462,202</u>

Total assets	<u>\$36,837,590</u>
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See Notes to Financial Statements

LIABILITIES AND NET ASSETS

Liabilities:

Bank overdrafts	\$ 6,480
Accounts payable	500,991
Retainage payable	12,909
Accrued salaries and benefits	6,825,270
Accrued interest payable	67,488
Deferred revenue	912,401
Due to external parties	770
Long-term liabilities -	
Portion due or payable within one year:	
Claims payable	160,354
Bonds payable	755,000
Accrued compensated absences	210,812
Portion due after one year:	
Claims payable	1,178,870
Bonds payable	5,950,000
Accrued compensated absences	<u>3,725,311</u>
Total liabilities	<u>\$20,306,656</u>

Net assets:

Invested in capital assets, net of related debt	\$ 9,014,832
Restricted for -	
Debt service	597,701
Construction projects	598,305
Other	709,490
Unrestricted	<u>5,610,606</u>
Total net assets	<u>\$16,530,934</u>
Total liabilities and net assets	<u>\$36,837,590</u>

ACADIA PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES
Year Ended June 30, 2004

<u>Function/Program</u>	<u>Expenses</u>
Governmental activities:	
Instruction -	
Regular programs	\$27,767,251
Special education	6,802,477
Vocational education	3,299,982
Other instructional programs	990,444
Special programs	1,970,731
Adult and continuing education	368,113
Support services -	
Pupil support	3,146,218
Instructional staff	2,382,049
General administration	1,245,981
School administration	3,634,374
Business services	488,749
Plant services	5,961,439
Student transportation services	2,826,102
Central services	372,330
Food	4,254,906
Community services	465,572
Interest on long-term debt	332,055
	<u>\$66,308,773</u>

Total governmental activities

General revenues:

Taxes -

 Property

 Sales and use

 State revenue sharing

Grants and contributions not restricted to specific purposes -

 Minimum Foundation Program

Investment earnings

Insurance proceeds

Loss on sale of capital assets

Miscellaneous

Total general revenues

Change in net assets

Net assets, beginning, as restated

Net assets, ending

See Notes to Financial Statements.

<u>Program Revenues</u>		
<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Expense) Revenue and Change in Net Assets</u>
\$ 10,187	\$ 537,241	\$ (27,219,823)
-	2,206,445	(4,596,032)
1,036	2,264,655	(1,034,291)
718,960	355,791	84,307
-	2,143,281	172,550
-	351,573	(16,540)
-	960,523	(2,185,695)
-	1,175,855	(1,206,194)
-	181,051	(1,064,930)
-	123,461	(3,510,913)
-	95,596	(393,153)
30,350	580,653	(5,350,436)
-	252,835	(2,573,267)
-	3,863	(368,467)
537,112	3,470,539	(247,255)
-	498,566	32,994
-	-	(332,055)
<u>\$1,297,645</u>	<u>\$15,201,928</u>	<u>\$ (49,809,200)</u>
		\$ 5,230,397
		5,295,754
		256,053
		36,446,762
		259,011
		923,563
		(15,189)
		706,460
		<u>\$ 49,102,811</u>
		\$ (706,389)
		<u>17,237,323</u>
		<u>\$ 16,530,934</u>

ACADIA PARISH SCHOOL BOARD

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2004

ASSETS	General Fund	Other Governmental Funds	Total Governmental Funds
Cash	\$ 4,991,740	\$ 2,478,934	\$ 7,470,674
Investments	9,854,509	793,186	10,647,695
Receivables	174,763	958,490	1,133,253
Due from other funds	767,039	17,552	784,591
Inventories, at cost	333,888	351,828	685,716
Prepaid deposit	80,000	-	80,000
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$16,201,939</u>	<u>\$ 4,599,990</u>	<u>\$20,801,929</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$ 187,885	\$ 313,106	\$ 500,991
Bank overdraft	-	6,480	6,480
Retainages payable	-	12,909	12,909
Salaries and wages payable	4,155,493	899,647	5,055,140
Accrued withholdings - retirement	1,643,520	126,610	1,770,130
Due to other funds	27,812	756,779	784,591
Due to external parties	770	-	770
Deferred revenue	573,354	339,047	912,401
Total liabilities	<u>\$ 6,588,834</u>	<u>\$ 2,454,578</u>	<u>\$ 9,043,412</u>
Fund balances:			
Reserved for inventories	\$ 333,888	\$ 351,828	\$ 685,716
Reserved for construction projects	-	598,305	598,305
Reserved for debt service	-	665,189	665,189
Unreserved - undesignated	9,279,217	530,090	9,809,307
Total fund balances	<u>\$ 9,613,105</u>	<u>\$ 2,145,412</u>	<u>\$11,758,517</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$16,201,939</u>	<u>\$ 4,599,990</u>	<u>\$20,801,929</u>

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
June 30, 2004

Total fund balances - governmental funds		\$11,758,517
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds.		
Capital assets, net		15,719,832
Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the governmental funds.		
Accrued interest payable	\$ (67,488)	
Bonds payable	(6,705,000)	
Workers compensation claims payable	(1,339,224)	
Accrued compensated absences	<u>(3,936,123)</u>	(12,047,835)
Sales taxes which were not "measurable" at year-end and therefore are not available soon enough to pay for current period expenditures.		860,773
Bond issue costs which are reported as expenditures in the year incurred in the governmental funds are deferred and amortized in the statement of activities.		
Bond issue costs, net of accumulated amortization		<u>239,647</u>
		<u>\$16,530,934</u>

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 Year Ended June 30, 2004

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Parish sources -			
Taxes:			
Ad valorem taxes	\$ 4,162,997	\$ 1,067,401	\$ 5,230,398
Sales and use taxes	5,124,983	-	5,124,983
Sales tax fees	249,007	-	249,007
Sheriff's contribution to teachers' retirement	131,334	-	131,334
Rentals, leases, and royalties	309,592	-	309,592
Tuition	43,770	-	43,770
Interest earnings	233,312	25,699	259,011
Revenue in lieu of taxes	256,053	-	256,053
PIP retirement	34,784	-	34,784
Other	136,686	-	136,686
State sources -			
Unrestricted grants-in-aid	36,382,495	2,804,630	39,187,125
State and local sources	455,760	-	455,760
Federal sources -			
Restricted grants-in-aid	-	12,542,916	12,542,916
Other sources	<u>485,907</u>	<u>678,118</u>	<u>1,164,025</u>
Total revenues	<u>\$48,006,680</u>	<u>\$17,118,764</u>	<u>\$65,125,444</u>
Expenditures:			
Instruction -			
Regular programs	\$25,856,382	\$ 240,935	\$26,097,317
Special education	4,687,106	1,998,463	6,685,569
Vocational education	1,246,962	2,048,301	3,295,263
Special programs	3	990,462	990,465
Other instructional	33,047	1,934,143	1,967,190
Adult and continuing education programs	<u>29,967</u>	<u>331,412</u>	<u>361,379</u>
Subtotals forward	<u>\$31,853,467</u>	<u>\$ 7,543,716</u>	<u>\$39,397,183</u>

ACADIA PARISH SCHOOL BOARD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
Year Ended June 30, 2004

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Total revenues (totals forwarded)	\$48,006,680	\$17,118,764	\$65,125,444
Expenditures (continued):			
Subtotals forwarded	\$31,853,467	\$ 7,543,716	\$39,397,183
Supporting services -			
Student services	2,280,613	865,796	3,146,409
Instructional staff support	1,318,108	1,064,716	2,382,824
General administration	1,037,617	202,363	1,239,980
School administration	3,504,069	111,824	3,615,893
Business services	399,629	86,562	486,191
Plant services	4,373,265	530,936	4,904,201
Student transportation services	2,728,933	82,695	2,811,628
Central services	309,197	3,497	312,694
Food services	142,761	4,014,025	4,156,786
Community service programs	12,387	453,185	465,572
Indirect cost	-	353,198	353,198
Capital outlays	249,604	2,166,958	2,416,562
Debt service -			
Principal retirement	-	700,000	700,000
Interest and bank charges	-	255,235	255,235
Legal fees (bond cost)	-	166,730	166,730
Total expenditures	\$48,209,650	\$18,601,436	\$66,811,086
Excess (deficiency) of revenues over expenditures	\$ (202,970)	\$ (1,482,672)	\$ (1,685,642)
Other financing sources (uses):			
Proceeds from insurance settlement	\$ -	\$ 923,563	\$ 923,563
Operating transfers in	-	947,338	947,338
Operating transfers out	(947,338)	-	(947,338)
Bond proceeds	-	4,255,000	4,255,000
Payments to escrow agent	-	(4,197,520)	(4,197,520)
	\$ (947,338)	\$ 1,928,381	\$ 981,043
Net change in fund balances	\$ (1,150,308)	\$ 445,709	\$ (704,599)
Fund balances, beginning of year	10,763,413	1,699,703	12,463,116
Fund balances, end of year	\$ 9,613,105	\$ 2,145,412	\$11,758,517

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2004

Net change in fund balances - total governmental funds	\$ (704,599)
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The change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlays added to depreciable assets	\$ 421,900	
Depreciation expense	<u>(979,292)</u>	(557,392)

The effect of sales of capital assets is to decrease net assets.	(15,189)
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Because some revenues will not be collected for several months after year-end, they are not considered "available" revenues in the governmental funds.

Sales taxes	(78,236)
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Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of activities.

Bond proceeds	\$ (4,255,000)	
Principal payments	<u>4,805,000</u>	<u>550,000</u>
Subtotal forward		\$ <u>(805,416)</u>

ACADIA PARISH SCHOOL BOARD

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES (CONTINUED)
Year Ended June 30, 2004

Subtotal forwarded \$ (805,416)

Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Bond issue costs amortized	\$ (23,486)	
Bond issue costs incurred in the current year	<u>166,730</u>	143,244

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.

Decrease in accrued interest payable	\$ 39,186	
Decrease in workers compensation payable	38,574	
Increase in accrued compensated absences	<u>(121,977)</u>	<u>(44,217)</u>

Change in net assets of governmental activities		<u>\$ (706,389)</u>
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See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
June 30, 2004

ASSETS	<u>Agency Funds</u>
Cash	\$ 1,755,269
Receivables	819
Due from external parties	<u>770</u>
Total assets	<u>\$ 1,756,858</u>
LIABILITIES	
Accounts payable	\$ 4,359
Due to external parties	<u>1,752,499</u>
Total liabilities	<u>\$ 1,756,858</u>

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The financial statements of the Acadia Parish School Board are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the School Board's accounting policies are described below.

Financial reporting entity:

The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Primary government:

Acadia Parish School Board was created by Louisiana Revised Statute (LRS) 17:51 for the purpose of providing public education for the children within Acadia Parish. The School Board is authorized by LRS 17:81 to establish policies and regulations for its own government that are consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of eight members who are elected for a term of four years.

Acadia Parish School Board is the basic level of government which has oversight responsibility and control over all activities related to the public school education in Acadia Parish. The School Board receives funding from local, state and Federal government sources and must comply with the concomitant requirements of these funding source entities. However, the School Board is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since School Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. In addition, no entities meet the above criteria for inclusion as a component unit of Acadia Parish School Board.

NOTES TO FINANCIAL STATEMENTS

The School Board operated 27 schools within the parish with a total enrollment of approximately 9,526 pupils for the 2003-2004 year. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

Basis of presentation:

The School Board's basic financial statements consist of the government-wide statements on all of the non-fiduciary activities of the government and the fund financial statements (individual major fund and combined nonmajor funds). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

Government-wide financial statements -

The government-wide financial statements include the statement of net assets and the statement of activities for all non-fiduciary activities of the government. As a general rule, the effect of interfund activity has been removed from these statements.

In the government-wide statement of net assets, the amounts are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The School Board's net assets are reported in three parts (1) invested in capital assets, net of related debt, (2) restricted net assets, and (3) unrestricted net assets. The School Board first utilizes restricted resources to finance qualifying activities.

The government-wide statement of activities reports both the gross and net cost of each of the School Board's functions. The functions are also supported by general government revenues (property, sales and use taxes, intergovernmental revenues, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues and operating grants and contributions. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net cost (by function) is normally covered by general revenue (property, sales and use taxes, intergovernmental revenues, investment earnings, etc.).

The School Board does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds to recover the direct costs of General Fund services provided. This fee is eliminated by reducing the revenue in the General Fund and the expense in the paying fund because the expense is not a direct expense of the program to which it was charged.

NOTES TO FINANCIAL STATEMENTS

The government-wide focus is more on the sustainability of the School Board as an entity and the change in the School Board's net assets resulting from the current year's activities.

Fund financial statements -

The fund financial statements provide information about the School Board's funds, including its fiduciary funds. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The School Board reports the following major governmental fund:

General Fund - This is the School Board's primary operating fund. It accounts for all financial resources of the government, except those required to be accounted for in another fund.

In addition, the School Board reports the following:

Agency Funds - These funds account for assets held by the School Board on behalf of the individual schools and organizations within the schools and other funds within the School Board and other governmental entities within Acadia Parish with regard to the collection and distribution of sales and use taxes.

The emphasis in fund financial statements is on the major funds. Nonmajor funds are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of the governmental combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

The School Board's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the School Board, these funds are not incorporated into the government-wide statements.

Basis of accounting:

Government-wide and fiduciary fund financial statements -

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the School Board gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On

NOTES TO FINANCIAL STATEMENTS

an accrual basis, property taxes are recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements -

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Sales taxes are considered "measurable" when in the hands of the Sales Tax Collector and are recognized as revenue at that time. Ad valorem taxes are recognized as revenue in the year for which budgeted, that is, in the year in which such taxes are billed and collected. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Budgetary data:

Budgeting policy -

The Acadia Parish School Board follows the procedures detailed below in adopting its budget.

1. The Superintendent submits to the School Board a proposed budget in the form required.
2. A public hearing is conducted to obtain taxpayer comments and notice thereof is published in the official journal at least 10 days prior to such hearing. The notification includes the time and place of the public hearing in addition to a general summary of the proposed budget.
3. All revisions to the budget must be approved by the School Board.
4. Formal budgetary integration is employed as a management control device during the year for all funds. No payment can be made or obligated against any appropriation unless the Superintendent or his designee first certifies that sufficient unencumbered funds are or will be available to meet the obligation when it becomes due and payable.

NOTES TO FINANCIAL STATEMENTS

5. Those budgets which the School Board adopts are on a basis consistent with generally accepted accounting principles as applied to governmental units.
6. All appropriations, except for capital outlays, lapse at the close of the fiscal year to the extent that they have not been expended or encumbered. Appropriations for capital outlays lapse after completion of the project.

All budgeted amounts presented as supplementary information reflect the original budget and the final budget (which has been adjusted for legally authorized revisions during the year).

Cash:

Cash includes amounts in interest-bearing demand deposits and on hand.

Investments:

State statutes authorize the School Board to invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool, and with the Louisiana State Treasury.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments meeting the criteria specified in the Statement are stated at fair value. Investments which do not meet the requirements are stated at cost. These investments include amounts invested in LAMP and the Louisiana State Treasury.

Interfund receivables and payables:

Short-term cash borrowings between funds are considered temporary in nature. These amounts are reported as "due to/from other funds."

Inventories:

Inventories of the General Fund consist of expendable supplies held for consumption and are valued at cost. The reported inventory is equally offset by a fund balance reserve which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

NOTES TO FINANCIAL STATEMENTS

Inventories of the School Lunch Fund consist of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture. The commodities are recorded as revenues when received; however, all inventories are recorded as expenses when consumed. All inventory items purchased are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

Prepaid items:

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Receivables:

All receivables are shown net of an allowance account, as applicable.

Bond discounts/issuance costs:

In governmental funds, bond discounts and issuance costs are recognized in the current period. In the government-wide statements, bond discount and issuance costs are deferred and amortized over the terms of the bonds to which such discounts and costs apply.

Capital assets and depreciation:

The accounting treatment over property, plant, and equipment (fixed assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-wide statements -

In the government-wide financial statements, fixed assets are accounted for as capital assets. All capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

	<u>Years</u>
Buildings and improvements	15 - 40
Equipment	5 - 10

NOTES TO FINANCIAL STATEMENTS

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Fund financial statements -

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Compensated absences:

All twelve-month employees earn from five to 15 days of vacation leave each year, depending on length of service with the School Board. Vacation leave can be accumulated up to a maximum of 40 days. Upon retirement or termination of employment, the employee may choose to be paid for any unused accumulated vacation days or convert such days to service credit for retirement purposes. If conversion is chosen, it shall be governed by applicable statutes and/or rules and regulations of the respective retirement system.

All School Board employees earn 10 days of sick leave each year which can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave up to 45 days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers Retirement System and the Louisiana School Lunch Employees Retirement System, the total unused accumulated sick leave, including the 45 days paid, is used in the retirement benefit computation as earned service. Under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 45 days paid, is used in the retirement benefit computation as earned service.

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave benefits are recorded as an expenditure of the period paid.

In the government-wide statements, the School Board accrues accumulated unpaid sick leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is the amount estimated to be used/paid in the following year. The remainder is reported as non-current. In accordance with GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements," no compensated absences liability is recorded in the governmental fund financial statements.

NOTES TO FINANCIAL STATEMENTS

Long-term debt:

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of bonds payable, accrued compensated absences, and workers' compensation claims payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

Equity classifications:

Government-wide statements -

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by the outstanding balances of any bonds, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Fund financial statements -

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

Interfund transfers:

Permanent reallocation of resources between funds is classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual funds have been eliminated.

NOTES TO FINANCIAL STATEMENTS

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Restatement of prior year net assets:

Beginning net assets, previously reported as \$16,988,976, has been restated to reflect the recording of assets owned by the School Board in the amount of \$248,346 that were not recorded in the year of conversion to the new GASB reporting model.

Impairments:

The School Board evaluates long-term assets to be held and used for impairment when events or changes in economic circumstances indicate the carrying value of such assets may be unrecoverable. The School Board uses an estimate of the future undiscounted net cash flows to measure whether the assets are recoverable and measured for impairment by reference to fair value. Fair value is generally estimated using the School Board's expectations of discounted net cash flows. Long-term assets to be disposed of are carried at the lower of cost or fair value less the costs of disposal.

Note 2. Sales and Use Taxes

The Acadia Parish School Board is authorized to collect, within Acadia Parish, a one per cent sales and use tax. The proceeds of the tax are dedicated to the payment of salaries of teachers, school bus operators, and all other school employees and for the operation of the public schools in Acadia Parish, including maintenance and improvement of school buildings and sites.

The sales tax department of the School Board is also authorized to collect sales and use taxes levied by various municipalities located in Acadia Parish. The municipalities pay the School Board a one and one-half per cent fee for collecting their sales and use taxes. The collection and distribution of the above sales taxes are accounted for in the Sales Tax Agency Fund.

NOTES TO FINANCIAL STATEMENTS

Note 3. Stewardship, Compliance and Accountability

Excess of expenditures over appropriations in individual funds:

The School Board has no excess of expenditures over appropriations for the major fund (General Fund) as presented in the budgetary comparison schedule.

Compliance with finance related legal and contractual provisions:

The School Board has no material violations of finance related legal and contractual provisions.

Note 4. Deposits and Investments

Deposits:

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The School Board may invest in United States Bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. The fiscal agent bank consisted of a consortium of five local banks.

These deposits are stated at cost which approximates market. Under state law, these deposits or the resulting bank balances must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash (bank balances) at June 30, 2004, are secured as follows:

In the aggregate, all cash and time certificates of deposit should be secured by federal deposit insurance and/or pledged bank securities.

Bank balances	\$ 15,974,515
Federal deposit insurance	(811,110)
Pledged securities (uncollateralized)	<u>(19,338,545)</u>
(Over) under secured	<u>\$ (4,175,140)</u>

NOTES TO FINANCIAL STATEMENTS

Deposits secured by pledged securities are considered uncollateralized (Category 3) because under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

Investments:

The Board had funds on deposit at June 30, 2004 with Louisiana Asset Management Pool, Inc. (LAMP). This investment is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprising the State Treasurer, representatives from various organizations of local government, the Government Finance officers Association of Louisiana, and the Society of Louisiana Certified Public Accountants. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio included only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U. S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to no more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

The School Board also has funds invested the Louisiana State Treasury under the Education Excellence Fund (EEF) allocation that they received. The investments with the State Treasury are not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. Only school boards that have executed investment agreements with the State of Louisiana have an investment interest in the pool. The State will limit its purchase of investment securities to those that are primarily addressed in LA R.S. 49:327. These include, but are not limited to, insured or collateralized time deposits in financial institutions chartered and domiciled in the State of Louisiana, certain direct obligations of the United States government, certain obligations of the United States government agencies or the purchase of such United States government or agency securities under

NOTES TO FINANCIAL STATEMENTS

the terms of repurchase agreements, investment grade commercial paper, investment grade corporate notes and bonds, and money market funds consisting solely of securities otherwise eligible for investment by the State Treasurer. Detail of the School Board's investments at June 30, 2004, is as follows:

Louisiana Asset Management Pool	\$ 3,682,652
Louisiana State Treasury	<u>573,354</u>
	<u>\$ 4,256,006</u>

Note 5. Interfund Balances

Interfund balances at June 30, 2004 consist of the following:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General	\$ 767,039	\$ 27,812
Other governmental funds	<u>17,552</u>	<u>756,779</u>
	<u>\$ 784,591</u>	<u>\$ 784,591</u>

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Note 6. Due From Other Governmental Agencies

Amounts due from other governmental agencies included in accounts receivable consist of the following at June 30, 2004:

Government-wide financial statements:	
Acadia Parish Sheriff's Department -	
Ad valorem taxes	\$ 22,680
State of Louisiana -	
Federal pass-through grant funds	492,222
State grant funds	243,130
Federal grant funds	261,792
Other	<u>3,851</u>
	<u>\$1,023,675</u>

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets and Depreciation

Capital asset activity for the year ended June 30, 2004 was as follows:

	(Restated) Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated -				
Land	\$ 1,063,202	\$ 5,043	\$ -	\$ 1,068,245
Construction in progress	-	189,385	-	189,385
	<u>\$ 1,063,202</u>	<u>\$ 194,428</u>	<u>\$ -0-</u>	<u>\$ 1,257,630</u>
Capital assets being depreciated -				
Buildings and improvements	\$ 36,749,605	\$ 141,716	\$ -	\$36,891,321
Equipment	<u>1,970,798</u>	<u>85,756</u>	<u>(100,468)</u>	<u>1,956,086</u>
Total capital assets being depreciated	\$ 38,720,403	\$ 227,472	\$ (100,468)	\$38,847,407
Less accumulated depreciation	<u>(23,491,192)</u>	<u>(979,292)</u>	<u>85,279</u>	<u>(24,385,205)</u>
Total capital assets being depreciated, net	<u>\$15,229,211</u>	<u>\$ (751,820)</u>	<u>\$ (15,189)</u>	<u>\$14,462,202</u>
Governmental activities capital assets, net	<u>\$16,292,413</u>	<u>\$ (557,392)</u>	<u>\$ (15,189)</u>	<u>\$15,719,832</u>

NOTES TO FINANCIAL STATEMENTS

Depreciation was charged to governmental activities as follows:

Instruction:		
Regular programs		\$820,428
Special education		15,413
Vocational education		1,485
Other instructional programs		2,067
Support services:		
General administration		2,303
School administration		18,820
Business services		2,640
Plant services		21,083
Student transportation services		15,025
Central services		3,426
Food		<u>76,602</u>
		<u>\$979,292</u>

Note 8. Long-Term Debt

The School Board issues general obligation bonds to provide funds for the acquisition, construction or improvement of major capital facilities. These bonds are direct obligations and pledge the full faith and credit of the School Board.

Long-term debt outstanding at June 30, 2004 is as follows:

	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>
Governmental activities:				
General obligation				
bonds -				
Refunding bonds:				
Church Point				
School District				
No. 6	11/01/03	03/01/14	1.30 - 3.75	\$ 2,335,000
Fifth Ward School				
District No. 7	11/01/03	03/01/12	1.30 - 3.40	1,890,000
Iota-Egan Cons.				
School District				
No. 8	04/01/02	04/01/07	2.65 - 4.00	520,000
Church Point				
School District				
No. 6	12/01/02	03/01/13	2.10 - 4.25	<u>1,960,000</u>
Total general				
obligation bonds				<u>\$ 6,705,000</u>

(continued)

NOTES TO FINANCIAL STATEMENTS

	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>
Other liabilities -				
Accrued compensated absences				\$ 3,936,123
Claims payable				<u>1,339,224</u>
Total other liabilities				<u>\$ 5,275,347</u>
Total governmental activities debt				<u>\$11,980,347</u>

The annual debt service requirements to maturity of all bonds outstanding at June 30, 2004 follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 755,000	\$ 201,907	\$ 956,907
2006	785,000	186,253	971,253
2007	800,000	167,475	967,475
2008	655,000	145,633	800,633
2009	680,000	128,128	808,128
2010-2014	<u>3,030,000</u>	<u>294,812</u>	<u>3,324,812</u>
	<u>\$6,705,000</u>	<u>\$1,124,208</u>	<u>\$7,829,208</u>

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2004:

	<u>Balance, 06/30/03</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, 06/30/04</u>
Governmental activities:				
General obligation bonds	\$ 7,255,000	\$ 4,255,000	\$ 4,805,000	\$ 6,705,000
Accrued compensated absences	3,814,146	353,414	231,437	3,936,123
Claims payable	<u>1,377,798</u>	<u>-</u>	<u>38,574</u>	<u>1,339,224</u>
	<u>\$12,446,944</u>	<u>\$ 4,608,414</u>	<u>\$ 5,075,011</u>	<u>\$11,980,347</u>

Compensated absences typically have been liquidated by the general fund and a few other governmental funds. Claims liabilities typically have been liquidated by the general fund.

NOTES TO FINANCIAL STATEMENTS

All principal and interest requirements on the general obligation bonds are funded in accordance with Louisiana law by an annual ad valorem tax levy on taxable property within the parish. At June 30, 2004, the School Board has accumulated \$665,189 in debt service funds for future debt requirements.

Note 9. Refunding Bonds

Fifth Ward School District No. 7

On November 1, 2003, the School Board issued General Obligation School Refunding Bonds, Series 2003 for Acadia Parish Fifth Ward School District No. 7 in the amount of \$1,905,000 with an average interest rate of 2.8% to advance refund \$1,835,000 of outstanding general obligation bonds with an average interest rate of 4.50%. The net proceeds (net of issuance costs) were placed into an irrevocable trust with an escrow agent to provide for future debt service payments on the 1997 Series Bonds. As a result, the 1997 Series Bonds have been removed from the financial statements.

The School Board advance refunded these bonds to reduce its total debt service payments over the life of the bonds by approximately \$63,150 to obtain an economic gain (difference between present values of the debt service payments on the old and new debt) of approximately \$51,546.

Church Point School District No. 6

On November 1, 2003, the School Board issued General Obligation School Refunding Bonds, Series 2003 for Acadia Parish Church Point School District No. 6 in the amount of \$2,350,000 with an average interest rate of 3.13% to advance refund \$2,270,000 of outstanding general obligation bonds with an average interest rate of approximately 5.20%. The net proceeds (net of issuance costs) were placed into an irrevocable trust with an escrow agent to provide for future debt service payments on the 1994 Series Bonds. As a result, the 1994 Series Bonds have been removed from the financial statements.

The School Board advance refunded these bonds to reduce its total debt service payments over the life of the bonds by approximately \$182,658 to obtain an economic gain (difference between present values of the debt service payments on the old and new debt) of approximately \$147,693.

Note 10. Risk Management

Acadia Parish School Board is self-insured for workers' compensation benefits.

NOTES TO FINANCIAL STATEMENTS

Workers' Compensation Insurance

Acadia Parish School Board has established a Workers' Compensation Self-Insurance Program for the purpose of providing medical and indemnity payments as required by law for on-the-job related injuries. The School Board has a contract with F.A. Richard for plan administration services. Under the program, the School Board has obtained reinsurance coverage for excess workers' compensation and employer's liability. The retention for the policy for fiscal year ended June 30, 2004 is \$200,000 per occurrence.

At June 30, 2004, the amount of the workers' compensation benefits liability was \$1,339,224. This liability is the School Board's best estimate based on available information. Changes in the unpaid claims liability during the last two years ended June 30, are as follows:

	<u>2004</u>	<u>2003</u>
Unpaid claims, beginning	\$ 1,377,798	\$ 1,110,688
Current year claims and changes in estimates	570,625	451,066
Claims paid	<u>(609,199)</u>	<u>(183,956)</u>
Unpaid claims, ending	<u>\$ 1,339,224</u>	<u>\$ 1,377,798</u>

Note 11. Property Taxes

Government-wide financial statements -

Property taxes are recognized in the year for which they are levied, net of uncollectible amounts, as applicable.

Fund financial statements -

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied by the School Board in August and were billed to the taxpayers by the Assessor in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. Taxes are budgeted and the revenue recognized in the year billed.

The taxes are based on assessed values determined by the Tax Assessor of Acadia Parish and are collected by the Sheriff. The taxes are remitted to the School Board net of deductions for Pension Fund contributions.

NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2004, taxes totaling \$5,461,309 (net of homestead exemption) were levied on property with assessed valuations totaling \$228,467,870 and were dedicated as follows:

Parish wide taxes:	
Constitutional	5.14 mills
Maintenance	5.01 mills
School Tax	15.02 mills
District taxes - bond and interest and maintenance:	
School District -	
No. 6 Church Point - debt service	28.40 mills
No. 7 5 th Ward - debt service	21.80 mills
No. 7 5 th Ward - maintenance	13.45 mills
No. 8 Iota-Egan - debt service	3.60 mills

Note 12. Interfund Transfers

Interfund transfers for the year ended June 30, 2004 consist of the following:

	Transferred To Other <u>Governmental Funds</u>
Transfers from:	
General Fund	<u>\$ 947,338</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund required, and (3) use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 13. Employee Retirement Systems

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

NOTES TO FINANCIAL STATEMENTS

Teachers' Retirement System of Louisiana (TRS):

Plan description:

The TRS consists of three membership plans: Regular Plan, Plan A and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Teachers' Retirement System of Louisiana, P. O. Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

Funding policy:

Plan members are required to contribute 8.00% and 9.50% of their annual covered salary for the Regular Plan and Plan A, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 13.80% of annual covered payroll for the Regular Plan and Plan A. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deducting from local ad valorem taxes, and by remittances from the School Board.

The School Board's contributions to the TRS for the years ending June 30, 2004, 2003 and 2002 were \$4,763,910, \$4,606,488 and \$4,215,595, respectively, which equal the required contributions for each year.

Louisiana School Employees' Retirement System (LSE):

Plan description:

The LSE plan provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established by state statute. The LSE issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

NOTES TO FINANCIAL STATEMENTS

Funding policy:

Plan members are required to contribute 7.50% of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 8.5% of annual covered payroll. Member contributions and employer contributions for the LSE are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSE is funded by the State of Louisiana through annual appropriations.

The School Board's contributions to the LSE for the years ending June 30, 2004, 2003 and 2002 were \$184,994, \$-0- and \$-0-, respectively, which equal the required contributions for each year.

Note 14. Other Employment Benefits

The Acadia Parish School Board provides certain continuing health care and life insurance benefits for its active and retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the School Board. The following details the portion of the cost of health care borne by each:

	<u>Monthly Premium</u>	<u>Employer Portion</u>	<u>Employee Portion</u>
<u>Instructional and Support Staff</u>			
Single	\$ 342	\$ 224	\$ 118
Employee and one minor dependent	594	353	241
Family	731	423	308
<u>Retired Employees with Medicare</u>			
Single	\$ 208	\$ 141	\$ 67
Retiree and one dependent without Medicare	448	265	183
Retiree and one dependent with Medicare	400	247	153

In regards to life insurance benefits, employees can carry life insurance of up to one and one-half times their salary at the basic Monthly Employer Portion Employee rate of \$.88 per thousand dollars of life insurance. To this, the employer contributes \$.30 per thousand. Upon retirement, life insurance benefits continue. The School Board's portion of these benefits and the number of retirees receiving benefits for the year ended June 30, 2004 was \$1,227,408 and 567, respectively.

NOTES TO FINANCIAL STATEMENTS

Note 15. Litigation and Claims

At June 30, 2004, the School Board is involved in several lawsuits. In the opinion of legal counsel for the School Board, most lawsuits filed against Acadia Parish School Board fall within the coverage of the insurance policies carried by the School Board and are within the policy limits. The ultimate outcome of these lawsuits cannot be determined. However, no provisions for any liability that may result has been made in the financial statements since the School Board would be in a position to take advantage of the statutory cap for damages against a political subdivision.

Note 16. U.S.D.A. Commodities

The School Board receives U.S.D.A. commodities from the U.S. Department of Agriculture. During the year, the School Board received \$263,884 in commodities, consumed \$243,534 and had a balance of \$106,472 of commodities in inventory at June 30, 2004. The commodities are reflected in inventory in the School Lunch Fund.

Note 17. Education Excellence Fund

On August 27, 2003, the Joint Education Committee approved the School Board's plans regarding their share of the Millennium Trust Fund, referred to as the Education Excellence Fund. For each fiscal year through the end of fiscal year 2006-2007, appropriations shall be made to the state superintendent of education and distributed to city, parish, and other local school systems in accordance with the formulas stipulated in the Millennium Trust. Such monies appropriated shall be restricted to expenditure for pre-kindergarten through twelfth grade instructional enhancement for students, including early childhood education programs focused on enhancing the preparation of at-risk children for school, remedial instruction, and assistance to children who fail to achieve the required scores on any test passage of which are required pursuant to state law or rule for advancement to a succeeding grade or other educational programs approved by the legislature. For the year ended June 30, 2004, the School Board was appropriated \$1,336,631 of which \$573,354 is included in deferred revenue for future expenditure in accordance with the Millennium Trust document.

Note 18. Federal and State Grants

In the normal course of operations, the School Board receives grant funds from various Federal and State agencies. The grant programs are subject to audits by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

NOTES TO FINANCIAL STATEMENTS

Note 19. Deficit Fund Balances

At June 30, 2004, the following fund had a deficit fund balance as follows:

Special Revenue Funds

Medicaid Special Education Fund	<u>\$179,400</u>
---------------------------------	------------------

Note 20. Commitments

At June 30, 2004, the School Board was a party to a contract for the purposes of renovating existing building space for offices in the special education department. As of the end of the year, the remaining balance on the contract was \$260,395.

Note 21. Headstart Funding

At June 30, 2004, the School Board had Headstart funds available under the current project period which were unexpended. The total unexpended funds totaled \$3,006. It is the intention of the School Board to apply for permission to carry over that amount and expend it by September 30, 2004.

SCHEDULES REQUIRED BY STATE LAW

(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)

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INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

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L. Charles Abshire, CPA*
Kenneth R. Dugas, CPA*
P. John Blanchet III, CPA*
Stephen L. Lambousy, CPA*
Craig C. Babineaux, CPA*
Peter C. Borrello, CPA*
George J. Trappey III, CPA*
Gregory B. Milton, CPA*
S. Scott Soileau, CPA*
Patrick D. McCarthy, CPA*
Martha B. Wyatt, CPA*
Troy J. Breaux, CPA*
Fayette T. Dupré, CPA*
Mary A. Castille, CPA*
Joey L. Breaux, CPA*
Terrel P. Dressel, CPA*

Retired:

Sidney L. Broussard, CPA 1980
Leon K. Poché, CPA 1984
James H. Breaux, CPA 1987
Erma R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberley, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1996
Lawrence A. Cramer, CPA* 1999
Michael P. Crochet, CPA* 1999
Ralph Friend, CPA 2002

To the Members of the Acadia Parish School Board
Crowley, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Acadia Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Acadia Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures
- Total General Fund Equipment Expenditures
- Total Local Taxation Revenue
- Total Local Earnings on Investment in Real Property
- Total State Revenue in Lieu of Taxes
- Nonpublic Textbook Revenue
- Nonpublic Transportation Revenue

We found no exceptions as a result of this procedure.

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to School Board supporting payroll records as of October 1.

We found no exceptions as a result of this procedure.

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

The School Board was unable to provide external verification of the education level of two (2) of the teachers chosen in a sample of twenty-five (25).

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

We found no exceptions as a result of this procedure.

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application.

We found no exceptions as a result of this procedure.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

We found no exceptions as a result of this procedure.

Public Staff Data (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

As indicated in item 4 above, we were unable to verify the education level of two of the teachers chosen in the sample. The pay level in the report was calculated properly with the information in the system.

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

We found no exceptions as a result of this procedure.

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1 roll books for those classes and determined if the class was properly classified on the schedule.

One minor difference was found in the test work but appeared to have no material effect on the class size classifications.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Acadia Parish School Board.

We found no exceptions as a result of this procedure.

The Graduation Exit Exam for the 21st Century (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Acadia Parish School Board.

We found no exceptions as a result of this procedure.

The IOWA Tests (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Acadia Parish School Board.

We found no exceptions as a result of this procedure.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Acadia Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Broussard, Locke, Lewis & Breaux, L.L.P.

Crowley, Louisiana
January 13, 2005

ACADIA PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW
 (R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
 Year Ended June 30, 2004

Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

Certain Local Revenue Sources

Local taxation revenue:

Constitutional ad valorem taxes	\$ 850,131
Renewable ad valorem taxes	3,465,559
Debt service ad valorem taxes	914,708
Up to 1% of collections by sheriff on taxes	131,334
Sales and use taxes	<u>5,124,983</u>

Total local taxation revenue \$10,486,715

Local earnings on investment in real property:

Earnings from 16th Section property	\$ 277,742
Earnings from other real property	<u>1,500</u>

Total local earnings on investment in real property \$ 279,242

State revenue in lieu of taxes:

Revenue sharing - constitutional tax	\$ 135,962
Revenue sharing - other taxes	<u>120,091</u>

Total state revenue in lieu of taxes \$ 256,053

Nonpublic textbook revenue \$ 57,982

Nonpublic transportation revenue \$ 161,651

ACADIA PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW (CONTINUED)
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
Year Ended June 30, 2004

Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue (continued)

General Fund Instructional and Equipment Expenditures

General fund instructional expenditures:

Teacher and student interaction activities -

Classroom teacher salaries	\$19,653,176
Other instructional staff activities	4,739,567
Employee benefits	6,292,787
Purchased professional and technical services	14,200
Instructional materials and supplies	1,016,861
Instructional equipment	<u>51,765</u>

Total teacher and student interaction activities \$31,768,356

Other instructional activities 136,876

Pupil support activities	\$ 2,280,613
Less: Equipment for pupil support	<u>-</u>

Net pupil support activities 2,280,613

Instructional staff services	\$ 1,318,108
Less: Equipment for instructional staff services	<u>-</u>

Net instructional staff services 1,318,108

Total general fund instructional expenditures \$35,503,953

Total general fund equipment expenditures \$ 51,765

ACADIA PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW (CONTINUED)
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
Year Ended June 30, 2004

Schedule 2 - Education Levels of Public School Staff

Category	Full-Time Classroom Teachers				Principals and Assistant Principals			
	Certified		Uncertificated		Certified		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a bachelor's degree	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Bachelor's degree	531	80.8	10	100.0	-	0.0	-	0.0
Master's degree	92	14.0	-	0.0	9	23.1	-	0.0
Master's degree + 30	24	3.7	-	0.0	18	46.2	-	0.0
Specialist in education	7	1.0	-	0.0	10	25.6	-	0.0
Ph. D. or Ed. D.	3	.5	-	0.0	2	5.1	-	0.0
Total	657	100.0%	10	100.0%	39	100.0%	-0-	0.0%

ACADIA PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW (CONTINUED)
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
Year Ended June 30, 2004

Schedule 3 - Number and Type of Public Schools

<u>Type</u>	<u>Number</u>
Elementary	17
Middle/Jr. High	4
Secondary	5
Combination	<u>1</u>
Total	<u><u>27</u></u>

Note: Schools opened or closed during the fiscal year are included in this schedule.

ACADIA PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW (CONTINUED)
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
Year Ended June 30, 2004

Schedule 4 - Experience of Public Teachers and Full-time Classroom Teachers

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25 + Yrs.	Total
Assistant principals	-	-	-	1	4	3	4	12
Principals	-	-	-	-	1	5	21	27
Classroom teachers (full-time)	95	59	195	67	75	54	122	667
Total	95	59	195	68	80	62	147	706

ACADIA PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW (CONTINUED)
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
Year Ended June 30, 2004

Schedule 5 - Public School Staff Data

	<u>All Classroom Teachers</u>	<u>Classroom Teachers Excluding ROTC and Rehired Retirees</u>
Average classroom teachers' salary including extra compensation	\$ 37,016	\$ 36,891
Average classroom teachers' salary excluding extra compensation	\$ 36,829	\$ 36,729
Number of teacher full-time equivalents (FTEs) used in computation of average salaries	669	658

ACADIA PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW (CONTINUED)
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
Year Ended June 30, 2004

Schedule 6 - Class Size Characteristics

School Type	Class Size Range								Total	
	1 - 20		21 - 26		27 - 33		34 +		Percent	Number
Elementary	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary activity classes	48.0%	286	28.7%	171	2.2%	13	0.0%	-	78.9%	470
Middle/Jr. High	12.4	74	6.0	36	1.7	10	1.0	6	21.1	126
Middle/Jr. High activity classes	36.7	183	36.3	181	12.0	60	0.0	-	85.0	424
High	3.2	16	6.2	31	1.6	8	4.0	20	15.0	75
High activity classes	38.3	282	34.3	253	14.8	109	0.0	-	87.4	644
Combination	8.0	59	2.2	16	1.2	9	1.2	9	12.6	93
Combination activity classes	84.0	21	0.0	-	0.0	-	0.0	-	84.0	21
	16.0	4	0.0	-	0.0	-	0.0	-	16.0	4

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

ACADIA PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW (CONTINUED)
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
Year Ended June 30, 2004

Schedule 7 - Louisiana Educational Assessment Program (LEAP) for the 21st Century

District Achievement Level Results	English Language Arts					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Grade 4						
Advanced	9	1.24%	5	.66%	18	2.21%
Mastery	119	16.35	89	11.71	108	13.24
Basic	355	48.76	404	53.16	356	43.63
Approaching basic	151	20.74	211	27.76	268	32.84
Unsatisfactory	94	12.91	51	6.71	66	8.08
Total	<u>728</u>	<u>100.00%</u>	<u>760</u>	<u>100.00%</u>	<u>816</u>	<u>100.00%</u>

District Achievement Level Results	Mathematics					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Grade 4						
Advanced	7	.96%	23	3.03%	20	2.45%
Mastery	113	15.52	121	15.92	88	10.78
Basic	320	43.96	376	49.47	331	40.56
Approaching basic	172	23.63	170	22.37	224	27.45
Unsatisfactory	116	15.93	70	9.21	153	18.76
Total	<u>728</u>	<u>100.00%</u>	<u>760</u>	<u>100.00%</u>	<u>816</u>	<u>100.00%</u>

ACADIA PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW (CONTINUED)
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
Year Ended June 30, 2004

Schedule 7 - Louisiana Educational Assessment Program (LEAP) for the 21st Century
(continued)

District Achievement Level Results	Science					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Grade 8						
Advanced	7	1.06%	4	.64%	6	0.98%
Mastery	99	14.95	83	13.34	99	16.18
Basic	253	38.22	262	42.13	253	41.34
Approaching basic	171	25.83	209	33.60	184	30.07
Unsatisfactory	132	19.94	64	10.29	70	11.43
Total	<u>662</u>	<u>100.00%</u>	<u>622</u>	<u>100.00%</u>	<u>612</u>	<u>100.00%</u>

District Achievement Level Results	Social Studies					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Grade 8						
Advanced	3	.45%	-	0.00%	4	0.66%
Mastery	44	6.65	35	5.64	42	6.92
Basic	266	40.18	309	49.76	322	53.05
Approaching basic	188	28.40	188	30.27	153	25.21
Unsatisfactory	161	24.32	89	14.33	86	14.16
Total	<u>662</u>	<u>100.00%</u>	<u>621</u>	<u>100.00%</u>	<u>607</u>	<u>100.00%</u>

ACADIA PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW (CONTINUED)
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
Year Ended June 30, 2004

Schedule 8 - The Graduation Exit Exam for the 21st Century

District Achievement Level Results	English Language Arts					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Grade 10						
Advanced	5	.95%	1	.17%	2	0.32%
Mastery	83	15.81	51	8.63	69	10.99
Basic	228	43.43	267	45.18	282	44.90
Approaching basic	119	22.67	139	23.52	140	22.29
Unsatisfactory	90	17.14	133	22.50	135	21.50
Total	<u>525</u>	<u>100.00%</u>	<u>591</u>	<u>100.00%</u>	<u>628</u>	<u>100.00%</u>

District Achievement Level Results	Mathematics					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Grade 10						
Advanced	30	5.44%	30	4.61%	23	3.45%
Mastery	62	11.25	74	11.37	58	8.70
Basic	229	41.56	250	38.40	236	35.38
Approaching basic	80	14.52	116	17.82	107	16.04
Unsatisfactory	150	27.23	181	27.80	243	36.43
Total	<u>551</u>	<u>100.00%</u>	<u>651</u>	<u>100.00%</u>	<u>667</u>	<u>100.00%</u>

ACADIA PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW (CONTINUED)
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
Year Ended June 30, 2004

Schedule 8 - The Graduation Exit Exam for the 21st Century (continued)

District Achievement Level Results	Science					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Students						
Grade 11						
Advanced	6	1.17%	6	1.11%	5	0.94%
Mastery	70	13.59	50	9.25	60	11.26
Basic	222	43.11	244	45.19	178	33.40
Approaching basic	130	25.24	154	28.52	145	27.20
Unsatisfactory	87	16.89	86	15.93	145	27.20
Total	<u>515</u>	<u>100.00%</u>	<u>540</u>	<u>100.00%</u>	<u>533</u>	<u>100.00%</u>

District Achievement Level Results	Social Studies					
	2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent
Students						
Grade 11						
Advanced	3	.58%	2	.37%	3	0.56%
Mastery	32	6.23	42	7.79	37	6.90
Basic	308	59.92	283	52.50	229	42.72
Approaching basic	99	19.26	126	23.38	121	22.57
Unsatisfactory	72	14.01	86	15.96	146	27.25
Total	<u>514</u>	<u>100.00%</u>	<u>539</u>	<u>100.00%</u>	<u>536</u>	<u>100.00%</u>

ACADIA PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW (CONTINUED)
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
Year Ended June 30, 2004

Schedule 9 - The IOWA Tests

Test of basic skills (ITBS)	Composite		
	<u>2004</u>	<u>2003</u>	<u>2002</u>
Grade 3	55	53	48
Grade 5	57	56	49
Grade 6	47	42	48
Grade 7	48	48	49
Test of Educational Development (ITED)			
Grade 9	45	47	48

Scores are reported by National Percentile Rank. A student's National Percentile Rank shows the student's relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. A student with a score of 72 indicates that the student scored the same or better than 72 percent of the students in the norm group.

REQUIRED SUPPLEMENTARY INFORMATION

ACADIA PARISH SCHOOL BOARD
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:				
Parish sources -				
Taxes:				
Ad valorem taxes	\$ 4,178,900	\$ 4,098,600	\$ 4,162,997	\$ 64,397
Sales and use taxes	5,000,000	5,200,000	5,124,983	(75,017)
Sales tax fees	225,000	225,000	249,007	24,007
Sheriff's contribution to teachers' retirement	100,000	126,900	131,334	4,434
Rentals, leases, and royalties	231,000	286,000	309,592	23,592
Tuition	24,000	24,000	43,770	19,770
Interest earnings	220,000	205,000	233,312	28,312
Other	110,000	143,000	136,686	(6,314)
Revenue in lieu of taxes	255,400	255,400	256,053	653
PIP retirement	20,000	20,000	34,784	14,784
State sources -				
Unrestricted grants-in- aid	34,687,063	36,446,764	36,382,495	(64,269)
State and local sources	478,800	451,800	455,760	3,960
Other sources	327,000	397,000	485,907	88,907
Total revenues	<u>\$45,857,163</u>	<u>\$47,879,464</u>	<u>\$48,006,680</u>	<u>\$ 127,216</u>
Expenditures:				
Instruction -				
Regular programs	\$26,152,400	\$26,221,800	\$25,856,382	\$ 365,418
Special education	4,634,100	4,765,000	4,687,106	77,894
Vocational education	1,313,500	1,298,400	1,246,962	51,438
Special programs	39,050	39,050	3	39,047
Other instructional	29,950	29,950	33,047	(3,097)
Adult and continuing education programs	35,250	36,100	29,967	6,133
Supporting services -				
Student services	2,279,900	2,304,700	2,280,613	24,087
Instructional staff support	1,491,000	1,445,200	1,318,108	127,092
General administration	926,400	943,300	1,037,617	(94,317)
School administration	3,617,400	3,582,200	3,504,069	78,131
Business services	401,700	409,900	399,629	10,271
Subtotals forward	<u>\$40,920,650</u>	<u>\$41,075,600</u>	<u>\$40,393,503</u>	<u>\$ 682,097</u>

ACADIA PARISH SCHOOL BOARD

BUDGETARY COMPARISON SCHEDULE (CONTINUED)

GENERAL FUND

Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Total revenues (totals forwarded)	<u>\$45,857,163</u>	<u>\$47,879,464</u>	<u>\$48,006,680</u>	<u>\$ 127,216</u>
Expenditures (continued) (subtotals forwarded)	<u>\$40,920,650</u>	<u>\$41,075,600</u>	<u>\$40,393,503</u>	<u>\$ 682,097</u>
Supporting services (continued) -				
Plant services	4,186,150	4,382,200	4,373,265	8,935
Student transportation services	2,685,900	2,802,900	2,728,933	73,967
Central services	314,900	321,100	309,197	11,903
Food services	150,250	143,950	142,761	1,189
Community service programs	14,300	14,000	12,387	1,613
Capital outlays	290,500	265,600	249,604	15,996
Total expenditures	<u>\$48,562,650</u>	<u>\$49,005,350</u>	<u>\$48,209,650</u>	<u>\$ 795,700</u>
Excess (deficiency) of revenues over expenses	<u>\$(2,705,487)</u>	<u>\$(1,125,886)</u>	<u>\$(202,970)</u>	<u>\$ 922,916</u>
Other financing sources (uses):				
Operating transfers in	\$ -	\$ 343,400	\$ -	\$ (343,400)
Operating transfers out	<u>(1,077,483)</u>	<u>(1,323,652)</u>	<u>(947,338)</u>	<u>376,314</u>
	<u>\$(1,077,483)</u>	<u>\$(980,252)</u>	<u>\$(947,338)</u>	<u>\$ 32,914</u>
Net change in fund balance	<u>\$(3,782,970)</u>	<u>\$(2,106,138)</u>	<u>\$(1,150,308)</u>	<u>\$ 955,830</u>
Fund balance, beginning of year	<u>10,763,413</u>	<u>10,763,413</u>	<u>10,763,413</u>	<u>-</u>
Fund balance, end of year	<u>\$ 6,980,443</u>	<u>\$ 8,657,275</u>	<u>\$ 9,613,105</u>	<u>\$ 955,830</u>

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OTHER SUPPLEMENTARY INFORMATION

ACADIA PARISH SCHOOL BOARD

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2004

	Special Revenue Funds			Education for Economic Security Act
	Elementary and Secondary Education Act			Title II
ASSETS	Title I	Migrant	Title VI	
Cash	\$ 345,597	\$ 5,409	\$ -	\$ 113,696
Investments	-	-	-	-
Receivables	81,900	2,390	3,294	49,791
Due from other funds	-	-	-	-
Inventories, at cost	-	-	-	-
Total assets	<u>\$ 427,497</u>	<u>\$ 7,799</u>	<u>\$ 3,294</u>	<u>\$ 163,487</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 15,887	\$ 1,222	\$ -	\$ 6,049
Bank overdraft	-	-	-	-
Retainages payable	-	-	-	-
Salaries and wages payable	278,237	3,679	-	90,340
Accrued withholdings - retirement	38,975	508	-	13,845
Due to other funds	80,234	2,390	3,294	48,157
Deferred revenue	14,164	-	-	5,096
Total liabilities	<u>\$ 427,497</u>	<u>\$ 7,799</u>	<u>\$ 3,294</u>	<u>\$ 163,487</u>
Fund balances:				
Fund balances (deficit) -				
Reserved for inventories	\$ -	\$ -	\$ -	\$ -
Reserved for construction projects	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved, undesignated	-	-	-	-
Total fund balances	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Total liabilities and fund balances	<u>\$ 427,497</u>	<u>\$ 7,799</u>	<u>\$ 3,294</u>	<u>\$ 163,487</u>

Special Revenue Funds

<u>Medicaid Special Education</u>	<u>Special Education (PL 94-142)</u>	<u>Preschool</u>	<u>Drug Free Schools</u>	<u>Other Federal Programs</u>
\$ 34,508	\$ 57,131	\$ 43,859	\$ 8,367	\$ 18,085
-	-	-	-	-
-	227,081	8	2,377	97,697
-	-	-	-	1,322
-	-	-	-	-
<u>\$ 34,508</u>	<u>\$ 284,212</u>	<u>\$ 43,867</u>	<u>\$ 10,744</u>	<u>\$ 117,104</u>
\$ 43,308	\$ 103,273	\$ 905	\$ 164	\$ 1,802
-	-	-	-	-
-	12,909	-	-	-
-	49,074	18,131	7,208	22,666
-	7,206	2,684	995	3,364
170,600	49,754	-	2,377	89,272
-	61,996	-	-	-
<u>\$ 213,908</u>	<u>\$ 284,212</u>	<u>\$ 21,720</u>	<u>\$ 10,744</u>	<u>\$ 117,104</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
(179,400)	-	22,147	-	-
<u>\$ (179,400)</u>	<u>\$ -0-</u>	<u>\$ 22,147</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
<u>\$ 34,508</u>	<u>\$ 284,212</u>	<u>\$ 43,867</u>	<u>\$ 10,744</u>	<u>\$ 117,104</u>

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ACADIA PARISH SCHOOL BOARD

COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2004

	<u>Special Revenue Funds</u>			
ASSETS	<u>Other State Programs</u>	<u>School Lunch Fund</u>	<u>Summer Feeding</u>	<u>Fifth Ward Maintenance</u>
Cash	\$ 464,408	\$ 550,671	\$ 8,469	\$ 117,448
Investments	-	-	-	172,814
Receivables	200,625	325	-	192
Due from other funds	15,637	589	-	-
Inventories, at cost	-	351,828	-	-
Total assets	<u>\$ 680,670</u>	<u>\$ 903,413</u>	<u>\$ 8,469</u>	<u>\$ 290,454</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 2,500	\$ 64,734	\$ -	\$ 26,092
Bank overdraft	-	-	-	-
Retainages payable	-	-	-	-
Salaries and wages payable	53,286	193,489	-	-
Accrued withholdings - retirement	7,020	25,050	56	-
Due to other funds	168,723	115,000	912	-
Deferred revenue	257,791	-	-	-
Total liabilities	<u>\$ 489,320</u>	<u>\$ 398,273</u>	<u>\$ 968</u>	<u>\$ 26,092</u>
Fund balances:				
Fund balances (deficit) -				
Reserved for inventories	\$ -	\$ 351,828	\$ -	\$ -
Reserved for construction projects	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved, undesignated	191,350	153,312	7,501	264,362
Total fund balances	<u>\$ 191,350</u>	<u>\$ 505,140</u>	<u>\$ 7,501</u>	<u>\$ 264,362</u>
Total liabilities and fund balances	<u>\$ 680,670</u>	<u>\$ 903,413</u>	<u>\$ 8,469</u>	<u>\$ 290,454</u>

Special Revenue Funds

<u>Summer Care</u>	<u>Carl Perkins</u>	<u>CACFP</u>	<u>Headstart</u>
\$ 1,119	\$ -	\$ 67,294	\$ -
-	-	-	-
-	26,066	1,618	261,792
-	-	-	4
-	-	-	-
<u>\$ 1,119</u>	<u>\$ 26,066</u>	<u>\$ 68,912</u>	<u>\$ 261,796</u>
\$ -	\$ -	\$ -	\$ 44,085
-	-	-	6,480
-	-	-	-
-	-	-	183,537
-	-	-	26,907
-	26,066	-	-
-	-	-	-
<u>\$ -0-</u>	<u>\$ 26,066</u>	<u>\$ -0-</u>	<u>\$ 261,009</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
1,119	-	68,912	787
<u>\$ 1,119</u>	<u>\$ -0-</u>	<u>\$ 68,912</u>	<u>\$ 787</u>
<u>\$ 1,119</u>	<u>\$ 26,066</u>	<u>\$ 68,912</u>	<u>\$ 261,796</u>

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ACADIA PARISH SCHOOL BOARD

COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2004

	<u>Capital Projects Funds</u>			
	<u>5th Ward Bond Construction</u>	<u>Church Point Bond Construction</u>	<u>Midland Tornado/ FEMA</u>	<u>Iota Bond Construction</u>
ASSETS				
Cash	\$ -	\$ -	\$ 2,780	\$ -
Investments	-	-	-	-
Receivables	-	-	-	-
Due from other funds	-	-	-	-
Inventories, at cost	-	-	-	-
Total assets	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 2,780</u>	<u>\$ -0-</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Bank overdraft	-	-	-	-
Retainages payable	-	-	-	-
Salaries and wages payable	-	-	-	-
Accrued withholdings - retirement	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Fund balances:				
Fund balances (deficit) -				
Reserved for inventories	\$ -	\$ -	\$ -	\$ -
Reserved for construction projects	-	-	2,780	-
Reserved for debt service	-	-	-	-
Unreserved, undesignated	-	-	-	-
Total fund balances	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 2,780</u>	<u>\$ -0-</u>
Total liabilities and fund balances	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 2,780</u>	<u>\$ -0-</u>

Schedule J
(continued)

Debt Service Funds				
Roofing Projects	School District No. 6 (Church Point)	School District No. 7 (Fifth Ward)	School District No. 8 (Iota/Egan)	Total
\$ 598,610	\$ 27,717	\$ 8,152	\$ 5,614	\$2,478,934
-	255,582	275,938	88,852	793,186
-	2,325	310	699	958,490
-	-	-	-	17,552
-	-	-	-	351,828
<u>\$ 598,610</u>	<u>\$ 285,624</u>	<u>\$ 284,400</u>	<u>\$ 95,165</u>	<u>\$4,599,990</u>
\$ 3,085	\$ -	\$ -	\$ -	\$ 313,106
-	-	-	-	6,480
-	-	-	-	12,909
-	-	-	-	899,647
-	-	-	-	126,610
-	-	-	-	756,779
-	-	-	-	339,047
<u>\$ 3,085</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$2,454,578</u>
\$ -	\$ -	\$ -	\$ -	\$ 351,828
595,525	-	-	-	598,305
-	285,624	284,400	95,165	665,189
-	-	-	-	530,090
<u>\$ 595,525</u>	<u>\$ 285,624</u>	<u>\$ 284,400</u>	<u>\$ 95,165</u>	<u>\$2,145,412</u>
<u>\$ 598,610</u>	<u>\$ 285,624</u>	<u>\$ 284,400</u>	<u>\$ 95,165</u>	<u>\$4,599,990</u>

ACADIA PARISH SCHOOL BOARD

COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2004

	<u>Special Revenue Funds</u>			Education for Economic Security Act
	Elementary and Secondary Education Act			Act
	<u>Title I</u>	<u>Migrant</u>	<u>Title VI</u>	<u>Title II</u>
Revenues:				
Parish sources -				
Taxes:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Interest earnings	-	-	-	-
State sources -				
Unrestricted grants-in-aid	-	-	-	-
Federal sources -				
Restricted grants-in-aid	3,524,200	39,113	57,349	875,954
Other sources	-	-	-	-
Total revenues	<u>\$3,524,200</u>	<u>\$ 39,113</u>	<u>\$ 57,349</u>	<u>\$875,954</u>
Expenditures:				
Instruction -				
Regular programs	\$ 5,512	\$ -	\$ 644	\$ 50,967
Special education	170,991	-	-	695,266
Vocational education	1,415,849	-	-	-
Special programs	-	2,765	25,392	2,273
Other instructional	390,218	4,222	1,417	19,100
Adult and continuing education programs	1,802	32,126	25,316	9,763
Support services -				
Student services	284,285	-	-	-
Instructional staff support	627,345	-	2,108	61,895
General administration	5,840	-	-	-
School administration	-	-	-	-
Business services	60,990	-	-	-
Subtotals forward	<u>\$2,962,832</u>	<u>\$ 39,113</u>	<u>\$ 54,877</u>	<u>\$839,264</u>

Special Revenue Funds

<u>Medicaid Special Education</u>	<u>Special Education</u>	<u>Preschool</u>	<u>Drug Free Schools</u>	<u>Other Federal Programs</u>	
\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	-	
80,095	-	-	-	-	C
-	1,497,254	161,211	61,946	666,634	O
-	-	-	-	-	N
<u>\$ 80,095</u>	<u>\$ 1,497,254</u>	<u>\$ 161,211</u>	<u>\$ 61,946</u>	<u>\$666,634</u>	T
					I
\$ -	\$ 1,942	\$ -	\$ -	\$ 8,259	N
78,234	128,476	1,227	253	214,755	
-	435,852	21,993	-	37,900	U
-	-	-	-	-	
-	6,138	84,240	-	151,575	E
-	66,688	-	-	125,444	D
-	365,957	22,334	59,187	-	
-	209,980	2,298	-	27,042	
12,727	7,328	-	259	214	
-	914	-	-	394	
-	-	-	282	75	
<u>\$ 90,961</u>	<u>\$ 1,223,275</u>	<u>\$ 132,092</u>	<u>\$ 59,981</u>	<u>\$565,658</u>	

ACADIA PARISH SCHOOL BOARD
SPECIAL REVENUE FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2004

	<u>Special Revenue Funds</u>			
	<u>Other State Programs</u>	<u>School Lunch Fund</u>	<u>Summer Feeding</u>	<u>Fifth Ward Maintenance</u>
Revenues:				
Parish sources -				
Taxes:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 152,693
Interest earnings	-	2,821	96	2,009
State sources -				
Unrestricted grants-in-aid	2,123,156	570,093	13,207	-
Federal source -				
Restricted grants-in-aid	-	2,878,528	-	-
Other sources	<u>1,036</u>	<u>1,892</u>	<u>-</u>	<u>-</u>
Total revenues	<u>\$2,124,192</u>	<u>\$3,453,334</u>	<u>\$ 13,303</u>	<u>\$ 154,702</u>
Expenditures:				
Instruction -				
Regular programs	\$ 146,173	\$ -	\$ -	\$ 27,438
Special education	702,336	-	-	-
Vocational education	69,808	-	-	-
Special programs	129,531	-	-	-
Other instructional	250,965	-	-	-
Adult and continuing				
education programs	70,273	-	-	-
Support services -				
Student services	5,763	-	-	-
Instructional staff support	59,732	-	-	-
General administration	-	-	-	5,172
School administration	37	-	-	-
Business services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotals forward	<u>\$1,434,618</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 32,610</u>

Special Revenue Funds

<u>Summer Care</u>	<u>Carl Perkins</u>	<u>CACFP</u>	<u>Headstart</u>	
\$ -	\$ -	\$ -	\$ -	
-	-	-	-	
-	-	18,079	-	C
-	170,963	217,241	2,392,523	O
-	-	-	675,190	N
<u>\$ -0-</u>	<u>\$170,963</u>	<u>\$235,320</u>	<u>\$ 3,067,713</u>	T
				I
\$ -	\$ -	\$ -	\$ -	
-	1,543	-	5,382	N
-	2,292	-	64,607	
-	155,311	-	675,190	U
-	-	-	1,026,268	E
-	-	-	-	
-	-	-	128,270	D
-	9,078	-	65,238	
-	195	229	138,655	
-	-	76	110,403	
-	-	-	25,215	
<u>\$ -0-</u>	<u>\$168,419</u>	<u>\$ 305</u>	<u>\$ 2,239,228</u>	

ACADIA PARISH SCHOOL BOARD
SPECIAL REVENUE FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2004

	<u>Capital Projects Funds</u>			
	<u>5th Ward Bond Construction</u>	<u>Church Point Bond Construction</u>	<u>Midland Tornado/ FEMA</u>	<u>Iota Bond Construction</u>
Revenues:				
Parish sources -				
Taxes:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Interest earnings	-	-	-	46
State sources -				
Unrestricted grants-in-aid	-	-	-	-
Federal sources -				
Restricted grants-in-aid	-	-	-	-
Other sources	-	-	-	-
Total revenues	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 46</u>
Expenditures:				
Instruction -				
Regular programs	\$ -	\$ -	\$ -	\$ -
Special education	-	-	-	-
Vocational education	-	-	-	-
Special programs	-	-	-	-
Other instructional	-	-	-	-
Adult and continuing education programs	-	-	-	-
Support services -				
Student services	-	-	-	-
Instructional staff support	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Business services	-	-	-	-
Subtotals forward	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Schedule K
(continued)

Capital Projects Funds	Debt Service Funds			
	School District No. 6 (Church Point)	School District No. 7 (Fifth Ward)	School District No. 8 (Iota/Egan)	Total
Roofing Projects				
\$ -	\$ 518,110	\$ 247,484	\$ 149,114	\$ 1,067,401
-	10,851	8,691	1,185	25,699
-	-	-	-	2,804,630
-	-	-	-	12,542,916
-	-	-	-	678,118
<u>\$ -0-</u>	<u>\$ 528,961</u>	<u>\$ 256,175</u>	<u>\$ 150,299</u>	<u>\$17,118,764</u>
\$ -	\$ -	\$ -	\$ -	\$ 240,935
-	-	-	-	1,998,463
-	-	-	-	2,048,301
-	-	-	-	990,462
-	-	-	-	1,934,143
-	-	-	-	331,412
-	-	-	-	865,796
-	-	-	-	1,064,716
-	18,205	8,382	5,157	202,363
-	-	-	-	111,824
-	-	-	-	86,562
<u>\$ -0-</u>	<u>\$ 18,205</u>	<u>\$ 8,382</u>	<u>\$ 5,157</u>	<u>\$ 9,874,977</u>

ACADIA PARISH SCHOOL BOARD

COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2004

	Special Revenue Funds			Education for Economic Security Act Title II
	Elementary and Secondary Education Act			
	Title I	Migrant	Title VI	
Total revenues (totals forwarded)	\$3,524,200	\$ 39,113	\$ 57,349	\$ 875,954
Expenditures (continued):				
Subtotals forwarded	\$2,962,832	\$ 39,113	\$ 54,877	\$ 839,264
Supporting services (continued) -				
Plant services	134,031	-	-	-
Student transportation services	151	-	-	-
Central services	-	-	-	-
Food services	531	-	-	-
Community service programs	219,453	-	-	-
Indirect cost	144,187	-	2,472	36,690
Capital outlays	63,015	-	-	-
Debt service -				
Principal retirement	-	-	-	-
Interest and bank charges	-	-	-	-
Legal fees (bond cost)	-	-	-	-
Total expenditures	\$3,524,200	\$ 39,113	\$ 57,349	\$ 875,954
Excess (deficiency) of revenues over expenditures	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Other financing sources (uses):				
Proceeds from insurance settlement	\$ -	\$ -	\$ -	\$ -
Operating transfers in	-	-	-	-
Payments to escrow agent	-	-	-	-
Bonds proceeds	-	-	-	-
	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Net change in fund balances	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Fund balances (deficit), beginning of year	-	-	-	-
Fund balances (deficit), end of year	\$ -0-	\$ -0-	\$ -0-	\$ -0-

Special Revenue Funds

<u>Medicaid Special Education</u>	<u>Special Education</u>	<u>Preschool</u>	<u>Drug Free Schools</u>	<u>Other Federal Programs</u>
\$ 80,095	\$1,497,254	\$ 161,211	\$ 61,946	\$ 666,634
\$ 90,961	\$1,223,275	\$ 132,092	\$ 59,981	\$ 565,658
-	53,354	-	750	1,080
-	2,556	-	-	2,724
-	-	-	-	-
-	-	-	-	-
-	-	-	-	13,296
-	56,217	5,747	1,215	7,148
-	161,852	1,225	-	179,956
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 90,961</u>	<u>\$1,497,254</u>	<u>\$ 139,064</u>	<u>\$ 61,946</u>	<u>\$ 769,862</u>
\$ (10,866)	\$ -0-	\$ 22,147	\$ -0-	\$ (103,228)
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	75,726
-	-	-	-	-
-	-	-	-	-
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 75,726</u>
\$ (10,866)	\$ -0-	\$ 22,147	\$ -0-	\$ (27,502)
(168,534)	-	-	-	27,502
<u>\$ (179,400)</u>	<u>\$ -0-</u>	<u>\$ 22,147</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

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ACADIA PARISH SCHOOL BOARD

COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2004

	<u>Special Revenue Funds</u>			
	<u>Other State Programs</u>	<u>School Lunch Fund</u>	<u>Summer Feeding</u>	<u>Fifth Ward Maintenance</u>
Total revenues (totals forwarded)	<u>\$2,124,192</u>	<u>\$3,453,334</u>	<u>\$ 13,303</u>	<u>\$ 154,702</u>
Expenditures (continued):				
Subtotals forwarded	<u>\$1,434,618</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,610</u>
Supporting services (continued) -				
Plant services	7,911	-	-	5,804
Student transportation services	4,307	-	-	-
Central services	-	-	-	-
Food services	-	3,709,604	4,011	-
Community service programs	-	-	-	-
Indirect cost	643	-	-	-
Capital outlays	568,876	45,428	-	56,265
Debt service -				
Principal retirement	-	-	-	-
Interest and bank charges	-	-	-	-
Legal fees (bond cost)	-	-	-	-
Total expenditures	<u>\$2,016,355</u>	<u>\$3,755,032</u>	<u>\$ 4,011</u>	<u>\$ 94,679</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 107,837</u>	<u>\$ (301,698)</u>	<u>\$ 9,292</u>	<u>\$ 60,023</u>
Other financing sources (uses):				
Proceeds from insurance settlement	\$ -	\$ -	\$ -	\$ -
Operating transfers in	20,434	471,178	-	-
Payments to escrow agent	-	-	-	-
Bond proceeds	-	-	-	-
	<u>\$ 20,434</u>	<u>\$ 471,178</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Net change in fund balances	<u>\$ 128,271</u>	<u>\$ 169,480</u>	<u>\$ 9,292</u>	<u>\$ 60,023</u>
Fund balances (deficit), beginning of year	<u>63,079</u>	<u>335,660</u>	<u>(1,791)</u>	<u>204,339</u>
Fund balances (deficit), end of year	<u>\$ 191,350</u>	<u>\$ 505,140</u>	<u>\$ 7,501</u>	<u>\$ 264,362</u>

Special Revenue Funds

<u>Summer Care</u>	<u>Carl Perkins</u>	<u>CACFP</u>	<u>Headstart</u>
\$ -0-	\$ 170,963	\$ 235,320	\$3,067,713
\$ -	\$ 168,419	\$ 305	\$2,239,228
-	-	2,825	325,181
-	1,319	-	71,638
-	-	-	3,497
-	-	210,224	89,655
-	-	-	220,436
-	-	-	98,879
-	1,225	-	19,199
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ -0-</u>	<u>\$ 170,963</u>	<u>\$ 213,354</u>	<u>\$3,067,713</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 21,966</u>	<u>\$ -0-</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 21,966</u>	<u>\$ -0-</u>
<u>1,119</u>	<u>-</u>	<u>46,946</u>	<u>787</u>
<u>\$ 1,119</u>	<u>\$ -0-</u>	<u>\$ 68,912</u>	<u>\$ 787</u>

ACADIA PARISH SCHOOL BOARD

COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
Year ended June 30, 2004

	<u>Capital Projects Funds</u>			
	<u>Fifth Ward Bond Construction</u>	<u>Church Point Bond Construction</u>	<u>Midland Tornado/ FEMA</u>	<u>Iota Bond Construction</u>
Total revenues (totals forwarded)	\$ -0-	\$ -0-	\$ -0-	\$ 46
Expenditures (continued):				
Subtotals forwarded	\$ -	\$ -	\$ -	\$ -
Supporting services (continued) -				
Plant services	-	-	-	-
Student transportation services	-	-	-	-
Central services	-	-	-	-
Food services	-	-	-	-
Community service programs	-	-	-	-
Indirect cost	-	-	-	-
Capital outlays	57	-	973,901	5,149
Debt service -				
Principal retirement	-	-	-	-
Interest and bank charges	-	-	-	-
Legal fees (bond cost)	-	-	-	-
Total expenditures	<u>\$ 57</u>	<u>\$ -0-</u>	<u>\$ 973,901</u>	<u>\$ 5,149</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (57)</u>	<u>\$ -0-</u>	<u>\$ (973,901)</u>	<u>\$ (5,103)</u>
Other financing sources (uses):				
Proceeds from insurance settlement	\$ -	\$ -	\$ 923,563	\$ -
Operating transfers in	-	-	80,000	-
Payments to escrow agent	-	-	-	-
Bond proceeds	-	-	-	-
	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 1,003,563</u>	<u>\$ -0-</u>
Net change in fund balances	<u>\$ (57)</u>	<u>\$ -0-</u>	<u>\$ 29,662</u>	<u>\$ (5,103)</u>
Fund balances (deficit), beginning of year	<u>57</u>	<u>-</u>	<u>(26,882)</u>	<u>5,103</u>
Fund balances (deficit), end of year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 2,780</u>	<u>\$ -0-</u>

Schedule K
(continued)

Capital Projects Funds	Debt Service Funds			
	School District No. 6 (Church Point)	School District No. 7 (Fifth Ward)	School District No. 8 (Iota/Egan)	Total
Roofing Projects				
\$ -0-	\$ 528,961	\$ 256,175	\$ 150,299	\$17,118,764
\$ -	\$ 18,205	\$ 8,382	\$ 5,157	\$ 9,874,977
-	-	-	-	530,936
-	-	-	-	82,695
-	-	-	-	3,497
-	-	-	-	4,014,025
-	-	-	-	453,185
-	-	-	-	353,198
90,810	-	-	-	2,166,958
-	355,000	185,000	160,000	700,000
-	164,298	65,383	25,554	255,235
-	92,949	73,781	-	166,730
<u>\$ 90,810</u>	<u>\$ 630,452</u>	<u>\$ 332,546</u>	<u>\$ 190,711</u>	<u>\$18,601,436</u>
 \$ (90,810)	 \$ (101,491)	 \$ (76,371)	 \$ (40,412)	 \$ (1,482,672)
 \$ -	 \$ -	 \$ -	 \$ -	 \$ 923,563
300,000	-	-	-	947,338
-	(2,324,771)	(1,872,749)	-	(4,197,520)
-	2,350,000	1,905,000	-	4,255,000
<u>\$ 300,000</u>	<u>\$ 25,229</u>	<u>\$ 32,251</u>	<u>\$ -0-</u>	<u>\$ 1,928,381</u>
\$ 209,190	\$ (76,262)	\$ (44,120)	\$ (40,412)	\$ 445,709
<u>386,335</u>	<u>361,886</u>	<u>328,520</u>	<u>135,577</u>	<u>1,699,703</u>
<u>\$ 595,525</u>	<u>\$ 285,624</u>	<u>\$ 284,400</u>	<u>\$ 95,165</u>	<u>\$ 2,145,412</u>

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ACADIA PARISH SCHOOL BOARD
SUPPLEMENTAL INFORMATION SCHEDULES
Year Ended June 30, 2004

GENERAL

COMPENSATION PAID TO BOARD MEMBERS

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. For the year ended June 30, 2004, the members of the School Board received \$350 per month, and the president received \$450 per month for performing the duties of his office.

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
Year Ended June 30, 2004

Board Members

Roland Boudreaux	\$ 4,200
Gene Daigle	4,200
Lyle Johnson	4,200
Robert McManus	4,200
John Quebodeaux	5,400
Ezora Proctor	4,200
Abraham Shamsie	4,200
Shirley F. Vige, Jr.	<u>4,200</u>
Total compensation	<u>\$ 34,800</u>



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Joey L. Breaux, CPA*
Terrel P. Dressel, CPA*

Retired:

Sidney L. Broussard, CPA 1980
Leon K. Poché, CPA 1984
James H. Breaux, CPA 1987
Erma R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberley, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1996
Lawrence A. Cramer, CPA* 1999
Michael P. Crochet, CPA* 1999
Ralph Friend, CPA 2002

Members of American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants

*A Professional Accounting Corporation

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Members of Acadia Parish School Board
Crowley, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Acadia Parish School Board, as of and for the year ended June 30, 2004, which collectively comprise Acadia Parish School Board's basic financial statements, and have issued our report thereon dated January 13, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Acadia Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item #2004-3.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Acadia Parish School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operations that we consider to be reportable conditions. Reportable conditions involve matters coming

to our attention relating to significant deficiencies in the designer operation of the internal control over financial reporting that, in our judgment, could adversely affect the School Board's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs as items #2004-1 and #2004-2.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control system that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable conditions described above are material weaknesses.

This report is intended for the information of management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Broussard, Roche, Lewis & Breaux, L.L.P.

Crowley, Louisiana
January 13, 2005



BROUSSARD, POCHÉ, LEWIS & BREAUX, L.L.P.
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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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Lawrence A. Cramer, CPA* 1999
Michael P. Crochet, CPA* 1999
Ralph Friend, CPA 2002

To the Members of Acadia Parish School Board
Crowley, Louisiana

Compliance

We have audited the compliance of the Acadia Parish School Board, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal program for the year ended June 30, 2004. The Acadia Parish School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of the Acadia Parish School Board's management. Our responsibility is to express an opinion on the Acadia Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Acadia Parish School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Acadia Parish School Board's compliance with those requirements.

In our opinion, Acadia Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2004. However, the results of our auditing procedures disclosed an instance of noncompliance with OMB Circular A-133 which is described in the accompanying schedule of findings and questioned costs as item #2004-4.

Internal Control Over Compliance

The management of Acadia Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Acadia Parish School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect Acadia Parish School Board's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in the accompanying schedule of findings and questioned costs as item #2004-4.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the item described above is a material weakness.

This report is intended for the information of management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Broussard, Roche, Lewis & Aneau, L.L.P.

Crowley, Louisiana
January 13, 2005

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2004**Section I. Summary of Auditors' Results***Financial Statements*

Type of auditors' report issued: unqualified.

Internal control over financial reporting:

- Material weakness identified? ☒ Yes ☐ No
- Reportable conditions identified that are not considered to be material weaknesses? ☐ Yes ☒ No

Noncompliance material to financial statements noted? ☒ Yes ☐ No

Federal Awards

Internal control over major programs:

- Material weakness identified? ☒ Yes ☐ No
- Reportable conditions identified that are not considered to be material weaknesses? ☐ Yes ☒ No

Type of auditors' report issued on compliance for major programs: unqualified.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? ☒ Yes ☐ No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
10.553	National School Breakfast Program
10.555	National School Lunch Program
93.600	Head Start
84.367	Title II

Dollar threshold used to distinguish between type A and type B programs: \$375,677.

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

Section II. Financial Statement Findings

#2004-1 - Fixed Assets/Depreciation Schedule

Finding - During the course of the audit, we found that the depreciation schedule was not updated and did not include all of the assets, which exceeded the \$5,000 capitalization threshold.

Cause - It appears that an adequate set of procedures to capture the items above the threshold have not been established.

Recommendation - We recommend that policies and procedures be adopted in order to accurately capture and record the assets, which fall within the Board's capitalization policy.

Response - We will develop a checklist for the keepers of our fixed asset records to serve as a reminder to set up certain acquisitions (above \$5,000) for depreciation. This requirement is relatively new, resulting from the implementation of GASB 34, and more training will be provided to make all staff members aware of the requirements.

#2004-2 - Payroll Disbursements

Finding - During the course of the audit, it came to our attention that an employee who was not re-hired for the 2004-2005 school year was still receiving payments through the payroll system.

Cause - Controls were in place to ensure that people who were receiving payments were actually employees of the school board. The problem arose because the distribution of the pay stub (the main link in the control) was made by mailing it to the recipient instead of it being hand delivered by the principal/department head.

Recommendation - The School Board should determine the amount received by this employee that was not earned and seek reimbursement. They should also determine if any additional employees are receiving pay that are no longer employed and if so, request reimbursement from them as well. In addition, procedures should be established to ensure that payroll checks are only issued to current employees of the School Board.

Response - We have developed a form to be used by the schools to track employees who may be displaced, or do not return to work but have not retired or resigned. Additionally, we will begin the process of having the schools distribute all checks, including those which are normally mailed, twice per year. This will give us another level of control at the point of distribution. This will result in more timely notification of any irregularities.

#2004-3 - Report Filing

Finding - The financial report for the year ended June 30, 2004, was not filed with the Legislative Auditor's office within six months after the close of the fiscal year as required by law.

Cause - Information needed to accurately complete the financial report was not available in order to allow the timely completion of the report and information came to our attention late in the audit which required the performance of additional procedures.

Recommendation - We recommend that every effort be made to assure that the information needed for the timely completion of the engagement is available.

Response - Depreciation schedules were not updated and provided on a timely basis. This problem should be resolved with the changes implemented in the first finding (#2004-1). The additional procedures relate to follow-up work on payroll issues - previously addressed in the second finding (#2004-2). We do not anticipate any additional procedures will be necessary in the future.

Section III. Federal Award Findings and Questioned Costs

#2004-4 - Headstart In-Kind Vouchers

Finding - In-kind voucher sheets tested contained clerical errors resulting in incorrect amounts being reported. In addition, per diem and square footage amounts were not verified by management as accurate resulting in additional errors. As a result, the original Form 259 was filed incorrectly.

Cause - In-kind vouchers are not being verified for accuracy and in-kind per diems and square footages are not being monitored.

Recommendation - We recommend that a system be established to ensure that the in-kind vouchers are received, recorded, and verified for accuracy on a timely basis. In addition, we recommend that the recap of the vouchers be checked for accuracy on a monthly basis and amounts monitored on a regular basis.

Response - A change in the reorganization of the HSCO Specialist occurred on July 1, 2004 and will affect the quality of the management of the non-Federal share. A Specialist with some years of previous experience in managing the non-Federal share was assigned this area of responsibility. Much of the corrective action outlined last year has already been implemented in this area.

An analysis of these problems leads to the conclusion that the procedures of the tasks of management of the non-Federal share need to be outlined as policy in specific details and timelines. Those procedures will include:

- A monthly meeting between the Director and the Specialist assigned to that responsibility to review in kind totals, documentation and problems.
- Communications to classroom staff for being held accountable for greater accuracy in reports.
- A specific number of random audits to be assigned for the bookkeeping department.
- An annual update to rates with verification documents to be provided at the beginning of the fiscal year.

ACADIA PARISH SCHOOL BOARD

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2004

Section I. Internal Control and Compliance Material to the Financial Statements

#2003-1 - School Activity Funds

Recommendation - We recommend that the quarterly financial statements be submitted to the central office on a timely basis and that a member of the central office staff review the statements in order to determine that the information furnished is complete and accurate.

Current status - This finding is resolved.

#2003-2 - Interfund Payables and Receivables

Recommendation- Interfund payables and receivables should be reconciled on a monthly basis.

Current status - This finding is resolved.

#2003-3 - Fixed Assets/Depreciation Schedule

Recommendation - We recommend that policies and procedures be adopted in order to accurately capture and record the assets, which fall within the Board's capitalization policy.

Response - With the first year of implementing GASB 34, we transmitted historical cost figures to depreciation schedules. We need to refine the process and inform everyone involved of the new parameters to be used when recording depreciable fixed assets.

Current status - This finding is repeated this year at #2004-1.

#2003-4 - Pledging of Securities

Recommendation - We recommend that the pledging of securities by financial institutions, in order to protect the School Board in excess of FDIC coverage, be monitored on a monthly basis. In addition, we recommend that the monitoring be reviewed by the preparer's supervisor.

Current status - This finding is resolved.

Section II. Internal Control and Compliance Material to Federal Awards

#2003-5 - Headstart In-Kind Vouchers

Recommendation - We recommend that a system be established to ensure that the in-kind vouchers are received and recorded on a timely basis. In addition, we recommend that the recap of the vouchers be checked for accuracy on a monthly basis.

Current status - This finding is repeated this year at #2004-4.

Section III. Management Letter

There was no management letter in the prior year's audit report.

ACADIA PARISH SCHOOL BOARD

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2004

<u>Federal Grantor/Pass- Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass- through Number</u>	<u>Federal Disbursements/ Expenditures</u>
<u>U.S. Department of Education</u>			
Passed through State Department of Education:			
ESEA Title I	84.010A	04-T1-01	\$3,151,381
	84.010A	03-T1-01	98,148
	84.010A	02-T1-01 C0 2003	16,235
	84.010A	03-T1-01 C0 2004	258,436
			<u>\$3,524,200</u>
ESEA Title VI	84.298.A	04-80-01	\$ 24,596
	84.298.A	03-80-01	26,574
	84.298.A	03-80-01-C	3,294
	84.298.A	28020101	2,885
			<u>\$ 57,349</u>
Migrant Education	84.011	03-M1-27-C	\$ 2,390
	84.011	04-M1-27	32,126
	84.011	02-M1-27-C	1,833
	84.011	03-M1-27	2,765
			<u>\$ 39,114</u>
Special Education	84.027A	04-B1-01	\$ 981,354
	84.027A	03-B1-01	278,770
	84.027A	03-81-01-C	237,130
			<u>\$1,497,254</u>
Subtotal forward			<u>\$5,117,917</u>

(continued)

ACADIA PARISH SCHOOL BOARD

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2004

<u>Federal Grantor/Pass- Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass- Through Number</u>	<u>Federal Disbursements/ Expenditures</u>
<u>U.S. Department of Education (continued)</u>			
Subtotal forwarded			<u>\$5,117,917</u>
Preschool	84.173A	04-P1-01	\$ 39,548
	84.173A	03-P1-01	1,485
	84.173A	03-P1-01-C	8,904
			<u>\$ 49,937</u>
Adult Education	84.002A	0244-01-C	\$ 233
	84.002A	0344-01	40,803
	84.002A	0444-01	83,760
			<u>\$ 124,796</u>
Drug Free Schools	84.186A	03-70-01	\$ 3,442
	84.186A	04-70-01	55,185
	84.186A	03-70-01 C0 2004	3,319
			<u>\$ 61,946</u>
Vocational Education	84.048	0302-01-C	\$ 3,517
	84.048	0402-01	167,446
			<u>\$ 170,963</u>
Technology Improvement	84.318X	0248-01	\$ 248,643
	84.318X	0349-01	29,149
			<u>\$ 277,792</u>
Improving Teacher Quality	84.367A	03-50-01	\$ 68,307
	84.367A	04-50-01	461,731
	84.367A	02-50-01C02003	2,513
		03-50-01 C0 2004	343,403
			<u>\$ 875,954</u>
Subtotal forward			<u>\$6,679,305</u>

(continued)

ACADIA PARISH SCHOOL BOARD

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2004

<u>Federal Grantor/Pass- Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass- Through Number</u>	<u>Federal Disbursements/ Expenditures</u>
Subtotal forwarded			<u>\$6,679,305</u>
U.S. Department of Education (continued)			
Even Start	84.213C	02-F1-01-C	\$ 6,545
	84.213C	03-F1-01	8,227
	84.213C	03-F1-01-C	13,625
	84.213C	04-F1-01	136,758
			<u>\$ 165,155</u>
Total U.S. Department of Education			<u>\$6,844,460</u>
U. S. Department of Health and Human Services			
Direct:			
Headstart	93.600	06-CH044/10	\$2,359,833
	93.600	06 CH0444	32,690
			<u>\$2,392,523</u>
Passed through State Department of Education:			
Starting Points Preschool/TANF	93.558	03WK-01	\$ 37,900
	93.558	2804EP-01	6,011
	93.558	0336-01-C	45,459
	93.558	0436-01	111,275
			<u>\$ 200,645</u>
Total Department of Health and Human Services			<u>\$2,593,168</u>
Total forward			<u>\$9,437,628</u>

(continued)

ACADIA PARISH SCHOOL BOARD

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2004

<u>Federal Grantor/Pass- Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass- Through Number</u>	<u>Federal Disbursements/ Expenditures</u>
Total forwarded			<u>\$ 9,437,628</u>
<u>U.S. Department of Agriculture</u>			
Passed through State Department of Education:			
National School Lunch and School Milk Program	10.555L/10.5538B	N/A	\$ 2,614,644
Child and Adult Care Food Program	10.558	CC98-578	217,241
Passed through State Department of Agriculture:			
USDA Commodities	10.550	N/A	<u>243,534</u>
Total Department of Agriculture			<u>\$ 3,075,419</u>
<u>Other Federal Programs</u>			
Flow through Lafayette Parish School Board			<u>\$ 9,522</u>
			<u>\$12,522,569</u>

ACADIA PARISH SCHOOL BOARD

NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As of and for the Year Ended June 30, 2004

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of the Acadia Parish School Board and is presented on the modified accrual basis of accounting, which is described in Note 1 to the Financial Statements of the School Board's financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

Note 2. Relationship to Financial Statements

Federal awards revenues are reported in the School Board's financial statement as follows:

	<u>Federal Sources</u>
Other Governmental Funds:	
Elementary and Secondary Education Act -	
Title I	\$ 3,524,200
Title I Migrant	39,113
Title II, V, AND VI	933,303
Special Education	1,497,254
Preschool	161,211
Drug Free Schools	61,946
School Lunch Fund	2,878,528
Headstart	2,392,523
Carl Perkins	170,963
Child and Adult Care Food Program	217,241
All other Federal	<u>666,634</u>
	<u>\$12,542,916</u>

Note 3. Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports.

ACADIA PARISH SCHOOL BOARD

NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
As of and for the Year Ended June 30, 2004

Note 4. Major Federal Awards

The dollar amount threshold of \$375,677 was used to distinguish between Type A and Type B federal programs. For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

Note 5. Noncash Programs

The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

ACADIA PARISH SCHOOL BOARD

Incorporated July 11, 1887



Mr. John E. Bourque
Superintendent

2402 North Parkerson Avenue
Post Office Drawer 309
Crowley, LA 70527-0309
337-783-3664 Phone
337-783-3761 Fax

Lyle C. Johnson
President

Ezora J. Proctor
Vice-President

February 11, 2005

United States Department of Health and Hospitals

The Acadia Parish School Board respectfully submits the following corrective action plan for the year ended June 30, 2004.

Name and address of independent public accounting firm:

Broussard, Poche', Lewis & Breaux, L.L.P.
Certified Public Accountants
P.O. Drawer 307
Crowley, Louisiana 70527-0307

Audit Period: June 30, 2004

The findings from the 2004 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

#2004-1 Fixed Assets/Depreciation Schedule

Finding: During the course of the audit, we found that the depreciation schedule was not updated and did not include all of the assets, which exceeded the \$5,000 capitalization threshold.

It appears that an adequate set of procedures to capture the items above the threshold have not been established.

Recommendation: Policies and procedures should be adopted in order to accurately capture and record the assets, which fall within the Board's capitalization policy.

Corrective Action Plan: We will develop a checklist for the keepers of our fixed asset records to serve as a reminder to set up certain acquisitions (above \$5,000) for depreciation. This requirement is relatively new, resulting from the implementation of GASB 34, and more training will be provided to make all staff members aware of the requirements.

#2004-2 Payroll Disbursements

Finding: During the course of the audit, it came to our attention that an employee who was not re-hired for the 2004-2005 school year was still receiving payments through the payroll system.

Controls were in place to ensure that people who were receiving payments were actually employees of the School Board. The problem arose because the distribution of the pay stub (the main link in the control) was made by mailing it to the recipient instead of it being hand delivered by the principal/department head.

Recommendation: The School Board should determine the amount received by this employee that was not earned and seek reimbursement. They should also determine if any additional employees are receiving pay that are no longer employed and if so, request reimbursement from them as well. In addition, procedures should be established to ensure that payroll checks are issued only to current employees of the School Board.

Corrective Action Plan: We have developed a form to be used by the schools to track employees who may be displaced, or do not return to work but have not retired or resigned. Additionally, we will begin the process of having the schools distribute all checks, including those which are normally mailed, twice per year. This will give us another level of control at the point of distribution. This will result in more timely notification of any irregularities.

#2004-3 Report Filing

Finding: The financial report for the year ended June 30, 2004, was not filed with the Legislative Auditor's office within six months after the close of the fiscal year as required by law.

Information needed to accurately complete the financial report was not available in order to allow the timely completion of the report and information came to our attention late in the audit which required the performance of additional procedures.

Recommendation: Every effort should be made to assure that the information needed for the timely completion of the engagement is available.

Corrective Action Plan: Depreciation schedules were not updated and provided on a timely basis. This problem should be resolved with the changes implemented in the first finding (#2004-1). The additional procedures relate to follow-up work on payroll issues - previously addressed in the second finding (#2004-2). We do not anticipate any additional procedures will be necessary in the future.

#2004-4 Headstart In-Kind Vouchers

Finding: In-kind voucher sheets tested contained clerical errors resulting in incorrect amounts being reported. In addition, per diem and square footage amounts were not verified by management as accurate, resulting in additional errors. As a result, the original Form 259 was filed incorrectly.

In-kind vouchers are not being verified for accuracy and in-kind per diems and square footages are not being monitored.

Recommendation: A system should be established to ensure that the in-kind vouchers are received, recorded, and verified for accuracy on a timely basis. In addition, we recommend that the recap of the vouchers be checked for accuracy on a monthly basis and amounts monitored on a regular basis.

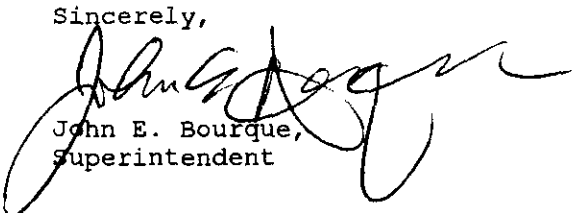
Corrective Action Plan: A change in the reorganization of the HSCO Specialist occurred on July 1, 2004, and will affect the quality of the management of the non-Federal share. A Specialist with some years of previous experience in managing the non-Federal share was assigned this area of responsibility. Much of the corrective action outlined last year has already been implemented in this area.

An analysis of these problems leads to the conclusion that the procedures of the tasks of management of the non-Federal share need to be outlined as policy in specific details and timelines. Those procedures will include:

- A monthly meeting between the Director and the Specialist assigned to that responsibility to review in-kind totals, documentation, and problems.
- Communications to classroom staff for being held accountable for greater accuracy in reports.
- A specific number of random audits to be assigned for the bookkeeping department.
- An annual update to rates with verification documents to be provided at the beginning of the fiscal year.

If you have any questions about the Corrective Action Plan contained herein or if I can be of any other service, please feel free to call me at 783-3664.

Sincerely,



John E. Bourque,
Superintendent